

# DAILY REPORT

*China*

Vol I No 043

3 March 1983

## PRC INTERNATIONAL AFFAIRS

### GENERAL

Beijing Reports USSR Attending Tourism Meeting	A 1
Senior Nonaligned Officials Discuss Kampuchea	A 1
NPC Hears Proposal To Join Anti-Apartheid Group	A 2

### UNITED STATES

U.S. Supports PRC Proposal on Kampuchea	B 1
Brzezinski Criticizes Reagan's China Policy	B 1
Weinberger on USSR Missile Buildup in Syria	B 1

### SOVIET UNION

BEIJING REVIEW Warns of USSR 'Tricks' at Summit [No 8, 21 Feb]	C 1
USSR, Mongolian Defense Ministers Meet in Moscow	C 2

### SOUTHEAST ASIA & PACIFIC

Envoy to SRV Holds Press Conference on Kampuchea	E 1
BEIJING REVIEW on Sihanouk, Nonaligned Summit [No 8, 21 Feb]	E 1
Singapore Urges Return of DK to Nonaligned Group	E 2
Suharto: Not Time To Normalize Relations With PRC	E 3

### SOUTH ASIA

President Zia Receives PRC Bank Group 1 March	F 1
New Envoy Presents Credentials in Bangladesh	F 1
Buddhists Donate to Bangladesh Monument Fund	F 1

### MIDDLE EAST & AFRICA

XINHUA Assesses Results of Palestinian Congress	I 1
Comparison of Zhao Parley With Ivory Coast's Ake	I 2
Briefs: Geologists in Tanzania	I 2

## PRC NATIONAL AFFAIRS

Yi Qiuli Speaks of Lei Feng Spirit, PLA Officers	K 1
Praises Lei Feng-type Cadre	K 1
Urges Better Officer Standards	K 1
Late Zhou Enlai's Letters to Guo Moruo (1942-46)	K 2
Officials Stress Importance of Cultural Reform	K 5
Zhu Muzhi Speech at Forum	K 5
Zhao Xun Article [GUANGMING RIBAO 19 Feb]	K 6
Senior Journalists' Title Committee Inaugurated	K 9
Officials Voice Concerns About Population	K 10
Hao Jianxiu on Theory Study	K 10
Qian Xinzhong on Family Size	K 11
HONGQI Commentator Scores 'Sex Discrimination' [3 Mar]	K 11

New System Substituting Profits for Taxes Set	K 12
State Council Regulations	K 13
RENMIN RIBAO Editorial [1 Mar]	K 14
PRC Enterprise Readjustment Achieves Success	K 17
[CHINA DAILY 26 Feb]	
Electronics Industry Being Transformed	K 18
Minister Talks on Reform	K 18
Projects Become Operational	K 18
More Imports Slated	K 19
PRC To Manufacture 200,000 Vehicles in 1983	K 20

## PRC REGIONAL AFFAIRS

## EAST REGION

Fujian's Xiang Nan Visits Youth Reform Center	O 1
Fuzhou PLA Commander at Mobilization Meeting	O 1
Jiangsu Prefecture Agricultural Output Report	O 2
[RENMIN RIBAO 24 Feb]	
Jiangsu's Xu Jiatun Addresses Civility Rally	O 4
Jiangsu CPC Committee Issues Discipline Circular	O 5
Shandong Congress Hears Government Report	O 6
Su Yiran Speaks at Shandong PLA Meeting	O 7
Shanghai Leaders Laud Late Pan Hannian	O 8
Shanghai Outlines Civility, Courtesy Month Work	O 9
Report on Shanghai's Baoshan Water Project	O 9
Zhejiang Regulations on Construction Funds	O 10

## SOUTHWEST REGION

Sichuan Township Promotes Division of Work	Q 1
--	-----

## NORTHEAST REGION

New Heilongjiang CPC Standing Committee Meets	S 1
Qiang Xiaochu Joins Jilin Civility Activities	S 2
Jilin Moves To Enhance Sino-Korean Friendship	S 2
LIAONING RIBAO Stresses Planned Parenthood [9 Feb]	S 2
Liaoning Plans To Build 12 Deep-Water Berths	S 3
Liaoning Holds Enterprise Consolidation Meeting	S 4
Li Desheng Addresses Liaoning PLA Office Cadres	S 5
Li Desheng Addresses Northeast Power Grid Meeting	S 5

## TAIWAN

ROC Suspends Diplomatic Ties With Ivory Coast	V 1
Text of Premier Sun's Report to Legislative Yuan	V 1
[CHINA POST 26, 27 Feb]	

BEIJING REPORTS USSR ATTENDING TOURISM MEETING

OW020618 Beijing in Russian to the USSR 1800 GMT 28 Feb 83

[Text] The 1983 China International Tourism Conference solemnly opened in Beijing on the morning of 28 February. Over 1,000 officials from tourist organizations of 45 countries and regions of the world, including the Soviet Union, are taking part in this conference.

In the course of the 5-day conference the participants will familiarize themselves with developments in tourism and Chinese civil aviation. The representatives of tourist associations from various countries will conduct talks with Chinese tourist organizations about forming tourist groups for excursions to China in 1984.

Chinese leaders Wan Li and Liao Chengzhi were present at the opening of the conference. Speaking at the opening of the conference, Gu Mu, member of the PRC State Council, emphasized: Resolute implementation of the policy of developing ties with foreign countries and accelerating development of tourism is the main course of the Chinese Government. He stated that Chinese tourist organizations are prepared to increase even more the frequency of friendly contacts with the World Tourism Organization [WTO] and tourist organizations and prominent officials of tourist circles in various countries and to redouble efforts to create a new situation in Chinese tourism.

Lonati, secretary general of the WTO, addressed the opening of the conference. He said: Participation in this conference provides us with an opportunity to learn about the real situation in China. We have the opportunity to familiarize ourselves not only with the treasures and remarkable tourist spots peculiar to China but also with the Chinese spirit and ideals and with matters of interest to China and its aspirations for friendship. With the development of international solidarity, China -- as a country that throughout millenia has been contributing to the development of mankind -- has now successfully opened its doors.

On the same afternoon the participants of the China tourism conference attended the opening of the exhibition of Chinese tourism at the Palace of Culture of Nationalities in Beijing.

SENIOR NONALIGNED OFFICIALS DISCUSS KAMPUCHEA

OW021351 Beijing XINHUA in English 1309 GMT 2 Mar 83

[Text] New Delhi, March 2 (XINHUA) -- Senior officials of the non-aligned countries this morning decided to defer consideration of the important issue of representation of Kampuchea and put it on the agenda of the foreign ministers' conference beginning March 3. This was part of the outcome of the third closed session of the two-day senior officials' meeting today, a spokesman of the meeting told the press in a briefing this afternoon.

It is learnt that this was an outcome gained through the efforts of some ASEAN countries, Singapore, Malaysia and Indonesia in particular. To rectify the wrong Cuban-imposed decision to keep the seat of Kampuchea vacant, the ASEAN members want Samdech Norodom Sihanouk, chairman of Democratic Kampuchea, to be invited to this summit scheduled to start here on March 7. This was supported by a significantly large number of countries attending the New Delhi summit. However, this just demand met strong opposition by Vietnam, which wanted the Heng Samrin regime to attend the conference.

India, the host country, has in the past few days held consultations with countries concerned to sort out ways and means to the Kampuchean seating problem.

According to informed sources, an understanding has been reached among member countries attending the meeting that debate on Kampuchean seating would not be carried out at the summit level. If the foreign ministers conference cannot produce a result, further consultations would be held among the foreign ministers outside the meeting.

Ruling out a debate at the summit level next week, the spokesman of Malaysia, Singapore and Indonesia said consultations at other levels might continue if this was not agreed upon at the foreign minister conference.

The senior officials also decided to put to the foreign ministers conference a recommendation regarding four countries' applications for membership of the movement. The countries recommended to join the movement are Vanuatu, the Bahamas, Barbados and Colombia. If this is approved, the number of the members of the movement will reach 101 from the present 97.

According to the spokesman, the senior officials also discussed problems concerning the composition of the Coordinating Bureau of the movement. Many delegates expressed the wish that the bureau would be expanded to enlist more members so as to ensure the effectiveness and continuation of the work and to improve geological [as received] representation.

#### NPC HEARS PROPOSAL TO JOIN ANTI-APARTHEID GROUP

OWO30116 Beijing XINHUA in English 1153 GMT 2 Mar 83

[Text] Beijing, March 2 (XINHUA) -- Chinese Vice-Foreign Minister Han Xu today proposed that the Standing Committee of the National People's Congress (N.P.C.) approve China's participation in the "International Convention on the Suppression and Punishment of the Crime of Apartheid" and ratify the "Convention on the Prevention and Punishment of the Crime of Genocide."

As entrusted by the State Council, Han Xu made an explanation of the two conventions at a plenary session of the 26th meeting of the N.P.C. Standing Committee here this afternoon.

He said the "International Convention on the Suppression and Punishment of the Crime of Apartheid" adopted by the United Nations General Assembly on November 30, 1973 aims at taking more effective measures at the international and state level to suppress and punish the crime of apartheid. The convention itself is the result of the long struggle against imperialism, colonialism and racism waged by the Third World countries, especially the African countries, he said. He reiterated China's consistent support to the Third World countries, especially the African countries, in their struggle against the racist regime in South Africa. He said China's participation in this convention completely conforms to her foreign policy.

The "Convention on the Prevention and Punishment of the Crime of Genocide" adopted by the U.N. General Assembly on December 9, 1948 was enacted in view of the crime of genocide committed by the Hitlerites during the Second World War. He said China's recognition and ratification of this convention demonstrates China's consistent position of safeguarding world peace and opposing aggressive wars and her support to the just demand of the world people to uproot Nazism and racism.

Han Xu pointed out in ratifying this convention, China has certain reservations. An article of the convention says that the "dispute between contracting parties relating to the interpretation, application or fulfillment of the present convention shall be submitted to the International Court of Justice at the request of any of the parties to the dispute." Han Xu said China has never accepted mandatory jurisdiction by the International Court of Justice. Therefore, the Taiwan authorities' ratification of this convention on July 19, 1951 in the name of China is illegal and invalid, he added.



U.S. SUPPORTS PRC PROPOSAL ON KAMPUCHEA

OW030204 Beijing XINHUA in English 0155 GMT 3 Mar 83

[Text] Washington, March 2 (XINHUA) -- The U.S. Government today called on Vietnam to withdraw all its aggressor troops from Kampuchea. Asked to comment on a statement issued by the Chinese Foreign Ministry yesterday on this subject, State Department spokesman John Hughes said today: "We welcome the Chinese proposal which is consistent with ASEAN's approach which we fully support."

"The announcement further undercuts Vietnam's claim that the threat from China justifies the aggression and occupation of Kampuchea," Hughes noted. He said the United States called Hanoi "to negotiate a comprehensive political settlement based on the total withdrawal of its troops and the establishment of a neutral, independent Kampuchea which is no threat to any of its neighbors including Vietnam."

BRZEZINSKI CRITICIZES REAGAN'S CHINA POLICY

OW021319 Beijing XINHUA in English 1139 GMT 2 Mar 83

[Text] New York, March 1 (XINHUA) -- Former U.S. National Security Adviser Zbigniew Brzezinski said today that the actions undertaken by the Reagan administration are going to poison the American-Chinese relationship.

In answer to a question while addressing a gathering of the American Foreign Policy Association here this afternoon, Brzezinski said the actions of the Reagan administration created an impression that "the United States is leaving a way on 'one China' policy." [sentence as received] Such actions, he said, also gave people an impression that this administration, unlike the previous administrations of Carter, Ford and Nixon, "is not committed generally to a one China position, but is at least implicitly creating some form of a second country."

Stressing Sino-American relationship as "very important," he pointed out that giving more attention to develop American strategic relationship with China "is desirable and would be in our national interests." He urged the U.S. Government: "Do avoid and do reverse the dancelike of Sino-American connection." [sentence as received]

WEINBERGER ON USSR MISSILE BUILDUP IN SYRIA

OW011744 Beijing XINHUA in English 1638 GMT 1 Mar 83

[Text] Washington, February 28 (XINHUA) -- U.S. Secretary of Defense Caspar Weinberger said today that the buildup of Soviet long-range antiaircraft SAM-5s in Syria is "very serious." Weinberger said on the NBC Today Show that this increases a possible danger of a new and wider Middle East war.

These missiles are reportedly manned by Soviet crews. This means that "the Soviets are perfectly capable of pulling the trigger," Weinberger said, adding that "the Mideastern situation has been made somewhat more complicated by all of this." In a congressional testimony last week, Weinberger estimated that the Soviets have 4,500 military men in Syria, including those sent there to operate the SAM-5 batteries and associated radars. Two months ago, U.S. intelligence sources estimated there were about 2,500 Soviet military personnel in Syria.

BEIJING REVIEW WARNS OF USSR 'TRICKS' AT SUMMIT

HK030726 Beijing BEIJING REVIEW in English No 8, 21 Feb 83 pp 9, 10

[Article by Tang Tianri: "'Alliance' With Non-Aligned States"]

[Text] An ominous signal has come from Moscow to the 7th Non-Aligned Summit Conference of be held in New Delhi next month.

The Soviet newspaper PRAVDA, in an article on January 28, urged the non-aligned summit to regard the Soviet Union as "a natural ally" instead of "keeping an equal distance" from both the Soviet Union and the United States and following a policy of opposition to both superpowers.

The article said the forthcoming summit should not take up the issues of Afghanistan and Kampuchea. Otherwise, it argued, the attention of the conference would be focused on individual and deliberately exaggerated questions instead of superpowers.

#### Soviet Motives

Moscow's intentions are quite obvious:

First, it wants the non-aligned countries to give up their principles of independence, self-determination, and non-alignment.

For more than 20 years, most non-aligned countries have upheld these principles and refused to join any military blocs or depend on the two superpowers. As a result, the Non-Aligned Movement has increased from 25 to 95 in membership, making it a strong political force to be reckoned with. Therefore, the Soviet Union wants to make the non-aligned countries its allies.

Second, it wants the non-aligned countries to oppose only one of the two hegemonist countries.

As contentions between the two superpowers over the Third World countries have intensified since the beginning of the 1970s, many victim countries have proposed that the Non-Aligned Movement should be aimed mainly at opposing the two hegemonist powers -- the United States and the Soviet Union. It was especially after the invasions of Kampuchea and Afghanistan that more non-aligned countries came to realize that besides U.S. hegemonism, Soviet hegemonism must also be opposed if world peace and the interests of the Third World countries are to be protected. Now, with its demand that the Non-Aligned Movement give up its policy of opposing both superpowers, the Soviet Union is trying to draw the Non-Aligned Movement to its side in its rivalry with the United States for world hegemony. This is actually an attempt to undermine the very basis of the Non-Aligned Movement.

Third, it intends to prevent the forthcoming summit from discussing the Kampuchean and Afghan problems. The Soviet Union's invasion of Afghanistan and its backing for Vietnam's occupation of Kampuchea have not only violated these two countries' sovereignty, national independence and non-aligned status, but have also undermined the security and stability of the Asian and Pacific region. This is by no means what Moscow has called "an individual and deliberately exaggerated question." Moscow's endeavour to prevent the summit from discussing these problems shows its fear of being condemned at the summit. It also shows its obstinate adherence to its policy of aggression and expansion in defiance of the just demand of the non-aligned countries.

## Challenge to Basic Principles

Reviewing its historical development, the Non-Aligned Movement has often faced challenges to its aims and principles from the Soviet Union and its proxies. Moscow has used various means to influence the Non-Aligned Movement. It has attempted to keep the non-aligned countries from discussing the gap between the poor and the rich, from using the terms "superpowers" and "two imperialisms." It has also divided the non-aligned nations into two categories, the so-called "progressives" and the "conservatives," maligning some of these nations as "reactionary" regimes. At the same time the Soviet Union instigated its two proxies, Vietnam and Cuba, to promote the notion of a "natural ally" within the Non-Aligned Movement and to oppose the independence of the movement from the two military blocs and prevent the Afghan and Kampuchean questions and its hegemonist and expansionist acts from being discussed.

At the 6th Non-Aligned Summit in 1979, Cuba, taking advantage of its chairmanship of the conference, deprived Democratic Kampuchea of the right to participate in the summit, thus keeping its seat vacant. This not only established a bad precedent for the Non-Aligned Movement, it also set up obstacles for the 7th summit to be held in New Delhi next month. The ASEAN countries have made every effort to remove these obstacles, but Moscow has slandered all these efforts as a "discredited farce." Any tricks which Moscow and its proxies may attempt during the 7th summit must be scrutinized with vigilance.

USSR, MONGOLIAN DEFENSE MINISTERS MEET IN MOSCOW

OW010252 Beijing XINHUA in English 0242 GMT 1 Mar 83

[Text] Moscow, February 28 (XINHUA) -- Soviet Minister of Defense Dmitriy Ustinov today met Mongolian Minister of National Defense Jamsrangiyn Yondon. The two "discussed problems of common concern," according to a TASS report.

Nikolay Ogarkov, chief of General Staff of the Soviet Armed Forces, and Sergey Sokolov, 1st vice-minister of defense, participated in the discussions.

ENVOY TO SRV HOLDS PRESS CONFERENCE ON KAMPUCHEA

OW031053 Beijing XINHUA Domestic Service in Chinese 0741 GMT 3 Mar 83

[Text] Hanoi, 2 Mar (XINHUA) -- Qiu Lixing, Chinese ambassador to Vietnam, held a press conference this afternoon at the embassy to brief on the statement which the Chinese Ministry of Foreign Affairs issued on 1 March setting forth the important five-point proposal for resolving the Kampuchean issue. Information officials of foreign embassies in Vietnam and reporters of foreign press agencies and newspapers stationed in Hanoi were invited to attend the conference. Ambassador Qiu Kixing read the 1 March statement of the Chinese Ministry of Foreign Affairs and then answered questions raised by the reporters.

BELJING REVIEW ON SIHANOUK, NONALIGNED SUMMIT

HK030622 Beijing BEIJING REVIEW in English No 8, 21 Feb 83 p 4

["Notes From the Editors" column by international editor Mu Youlin: "Sihanouk and the Non-Aligned Movement"]

[Text] The 7th Non-Aligned Summit will soon be held in New Delhi. Up to now, Samdech Norodom Sihanouk of Democratic Kampuchea has not been invited. Would you like to comment on this?

It is irrational to exclude Samdech Sihanouk from the Non-Aligned Movement. It will only impair the unity and the prestige of the movement if Sihanouk is not invited.

The decision made by New Delhi not to invite Sihanouk to attend the Seventh Non-Aligned Summit has evoked strong reactions in world public opinion. The ASEAN countries and many other non-aligned nations have all wanted to alter this decision.

It is fully reasonable that Samdech Sihanouk should be invited to attend the summit:

First, Samdech Sihanouk is the only founder of the Non-Aligned Movement who is still living. It is irrational and incomprehensible for the non-aligned summit not to invite a founder of the movement to attend.

Second, Samdech Sihanouk is the president of Democratic Kampuchea. Last year, he attended the 37th United Nations General Assembly as head of the delegation of Democratic Kampuchea and was accorded a warm welcome. The United Nations General Assembly has in each of the last four sessions passed resolutions by an overwhelming majority to uphold the lawful seat of Democratic Kampuchea at the United Nations and demand the complete withdrawal of Vietnamese troops from Kampuchea. This shows that the Government of Democratic Kampuchea enjoys international recognition as the country's legitimate government.

Not long ago, Samdech Sihanouk returned to his country and presided over the successful second Cabinet meeting of the Coalition Government of Democratic Kampuchea. The three patriotic forces of Kampuchea pledged to close their ranks and carry their struggle against Vietnam through to the end. Samdech Sihanouk has not only played an important role in uniting various patriotic forces and promoting the struggle against Vietnam, but will also play a major role in leading the Kampuchean people in rebuilding their motherland. Therefore, it is entirely legitimate for Samdech Sihanouk to participate in the non-aligned summit as a representative of his country.

Democratic Kampuchea has all along been a member nation of the Non-Aligned Movement. Vietnam, backed by the Soviet Union, invaded and occupied Kampuchea at the end of 1978 and imposed many hardships on the Kampuchean people.



At the Havana summit in September 1979, Cuba took advantage of its chairmanship to manipulate the conference and deprive Democratic Kampuchea of its right to attend. This arbitrary act by Cuba evoked opposition and protest among many participating countries. Many delegates asked: Does it conform to the principles of the Non-Aligned Movement to treat Democratic Kampuchea in such a way? Should aggression and expansion be rewarded or opposed?

Many member countries of the Non-Aligned Movement hope that the New Delhi conference will correct the mistake made at the Havana conference so that the Non-Aligned Movement may advance in the right direction. The foreign minister of Singapore pointed out that the vacancy of the Kampuchean seat at the Havana conference was in fact decided by Cuba, the host country. The foreign minister of Malaysia stressed that it was illegitimate for Cuba to exclude Democratic Kampuchea from the conference. How can India continue to unlawfully exclude Democratic Kampuchea? he asked. Other nations of the Non-Aligned Movement also expressed the view that the invocation by India of the Havana decision is no justification for not inviting Sihanouk.

China always has a high evaluation of the contributions made by the Non-Aligned Movement in upholding the rights and interests of the Third World and safeguarding world peace, and supports the principles and positions of the Non-Aligned Movement. It is only natural that we are concerned about the future and progress of the movement.

We are of the opinion that to invite Samdech Sihanouk to the New Delhi summit conforms to the principles of the Non-Aligned Movement. Contrary to assertions from Moscow, his participation in the summit would enhance, rather than impair, the unity of the movement and the prestige of the host country.

#### SINGAPORE URGES RETURN OF DK TO NONALIGNED GROUP

OWO21329 Beijing XINHUA in English 1250 GMT 2 Mar 83

[Text] New Delhi, March 2 (XINHUA) -- Singapore has strongly demanded the return of Democratic Kampuchea to the Non-Aligned Movement in a note distributed here to its members. The note says the current summit should not continue to accept "the so-called Havana decision on the unseating of Democratic Kampuchea on the ground that it has happened and that what has happened must be treated as holy truth."

The note points out that the vacancy of the seat of Democratic Kampuchea was the result of misusing the principle of consensus by Cuba at the Havana summit it chaired. "Cuba without seeking the consent of members, unilaterally decided to bar Democratic Kampuchea from the conference," it says, "although the majority of the non-aligned countries who spoke in Havana were in favour of Democratic Kampuchea's continued participation."

The note exposes the truth of the barring of the representatives of Democratic Kampuchea from the Havana summit meeting. "Since its invasion of Cambodia in December 1978, Vietnam has tried unsuccessfully at various international forums to reject the legally constituted Government of Democratic Kampuchea and to obtain recognition for the puppet regime it installed in Phnom Penh. On the contrary, at every United Nations General Assembly held since December 1978, international support for Democratic Kampuchea's credentials has increased from 71 in 1979 to 90 in 1982."

"Vietnam therefore had to resort to more drastic measures. The opportunity came when Cuba became chairman of the Non-Aligned Movement," the note says, adding that by enlisting the help of several others, Vietnam "achieved by devious means what it could not constitutionally do either at the U.N. or previous non-aligned meetings."

Singapore, the note stresses, does not consider the decision of the unseating of Democratic Kampuchea as one of the 6th summit conference, but "a Cuban decision -- nothing more, nothing less."

"There are issues of principle which transcend the national interest of any particular country whether it be in a leadership or rank and file position in the movement. Such fundamental issues are clearly those in which aggression and occupation have been directed by one member of the Non-Aligned Movement against another, and in which a member of the Non-Aligned Movement has been wantonly and brutally invaded and occupied by a superpower. If these issues are considered merely as regional and bilateral conflicts of no interest to the vast majority of the Non-Aligned Movement, and not least to those in Asia where these transgressions have been committed, what can we expect of the movement when we become the next victim?" the note says.

SUHARTO: NOT TIME TO NORMALIZE RELATIONS WITH PRC

OW021431 Beijing XINHUA in English 1220 GMT 2 Mar 83

[Text] Beijing, March 2 (XINHUA) -- Indonesian President Suharto reiterated Indonesia's pursuance of an "independent and active foreign policy" and its efforts to strengthen stability in Southeast Asian and Southwest Pacific regions. He made the remarks Tuesday at the opening session of the People's Consultation Assembly.

The president pledged allegiance to the Non-Aligned Movement and Indonesia's active membership in the Association of the Southeast Asian Nations (ASEAN). He attached great importance to the cooperation of the ASEAN countries, describing it as "one of the main pillars of Indonesia's foreign policy."

Speaking on the coming summit of the Non-Aligned Movement in New Delhi next week, he expressed the hope that it would produce acceptable solutions for problems besetting the world today. He said: "In a world that is encompassed by the tuggings between the major world powers, the Non-Aligned Movement can and should play a significant role in the struggle to build a world order that better ensures justice." Referring to the Kampuchean and Afghan problems, he said that Indonesia, together with the other member states of ASEAN is still trying to find a settlement over the Kampuchean question in the context of the resolutions passed at the United Nations General Assembly. He said ASEAN hopes to see the restoration of sovereignty in Kampuchea and stressed the right of the Kampuchean people to determine their own government. He pointed out that these basic principles also hold for the question of Afghanistan.

Suharto made a strong plea for the preservation of the Organization of Petroleum Exporting Countries (OPEC) in the present world economic situation. He said that the OPEC unity becomes the more important because the organization constitutes an instrument in the struggle of the Third World countries to rectify the world economic system and create more just conditions for developing countries.

Referring to the Indonesia-China relations, he said: "I consider it not yet time to normalize diplomatic relations with China at present."

PRESIDENT ZIA RECEIVES PRC BANK GROUP 1 MARCH

OW012122 Beijing XINHUA in English 1845 GMT 1 Mar 83

[Text] Islamabad, March 1 (XINHUA) -- Pakistan President Ziaul Haq today expressed the hope of strengthening banking cooperation between Pakistan and China so as to promote their trade and economic relations. Receiving a visiting delegation of the Bank of China led by its President Jin Deqin here this evening, President Zia said financial cooperation between the two countries has made sound progress. "I support more exchange and closer cooperation between bankers of our two countries," he added.

Earlier, the Chinese delegation called on Pakistan Finance Minister Ghulam Ishaq Khan, Production Minister Said Qadir and Governor of the State Bank of Pakistan Agn Kazi. During the meetings, the finance minister expressed Pakistan's support for China's legitimate seat in the Asian Development Bank. The production minister hoped that China will cooperate with Pakistan in the development of heavy as well as light industries suited to its local conditions. The two sides shared the view that cooperation between the two countries in the fields of economy, trade and finance should be promoted. After arriving here on February 26, the delegation has toured Karachi, Lahore and Islamabad and will leave Pakistan for Sri Lanka on March 3 after a short visit in Peshawar.

NEW ENVOY PRESENTS CREDENTIALS IN BANGLADESH

OW281407 Beijing XINHUA in English 1154 GMT 28 Feb 83

[Text] Dhaka, February 28 (XINHUA) -- Xiao Xiangqian, ambassador extraordinary and plenipotentiary of the People's Republic of China to the People's Republic of Bangladesh, presented his credentials to President Assanuddin Chowdhury here this morning. The Bangladesh president and the Chinese ambassador had a cordial and friendly conversation. Ambassador Ziao arrived here on February 22.

BUDDHISTS DONATE TO BANGLADESH MONUMENT FUND

OW261959 Beijing XINHUA in English 1638 GMT 26 Feb 83

[Text] Dhaka, February 26 (XINHUA) -- Buddhists from nearly 20 countries converged here today to celebrate the 1,000th birthday of the venerable Atisa Dipankar Srijnan, a renowned monk-scholar. A week-long international seminar on "Buddhism and Atisa" was also inaugurated by chief martial law administrator Hussain Muhammad Ershad this morning.

Li Rongxi, head of the Chinese Buddhist delegation, donated 25,000 U.S. dollars, in the name of the Chinese Buddhist Association, to the Atisa millennium celebration committee of Bangladesh for building a monument here to preserve Atisa's ashes. Atisa went to China's Tibet in the early 11th century to spread Buddhism, and at the same time he also introduced medical knowledge into the area and assisted the Tibetan people in building water conservancy works. He spent 17 years in Tibet and died at a monastery not far away from Lhasa in 1054. Bangladesh Buddhists, with the help of the Chinese Government, took a portion of Atisa's ashes from Tibet to his motherland in 1978.

XINHUA ASSESSES RESULTS OF PALESTINIAN CONGRESS

OW252035 Beijing XINHUA in English 1905 GMT 25 Feb 83

["Round up" by correspondents Qiu Wei ju and Cai Jintang: "Conference That Has Far-Reaching Influence on Palestinian Revolutionary Cause"]

[Text] Beijing, February 25 (XINHUA) -- The recent 16th Congress of the Palestine National Council (PNC) marks an encouraging turning-point for the Palestinian revolution.

During the nine-day conference ending February 22, the Palestinian leaders discussed and worked out the strategy and tactics for the Palestinian revolution in face of the Middle East situation brought about by the Israeli invasion of Lebanon last June, the evacuation of the armed forces of the Palestine Liberation Organization (PLO) from Lebanon to eight Arab countries, the Reagan proposal last September which called for the association of the West Bank and Gaza Strip, inhabited by 1.3 million Palestinians, with Jordan, and the Fes Arab summit that urged the establishment of a Palestinian state on the West Bank with Jerusalem as its capital. Under the slogan of "National unity, mobilization and liberation," the meeting adopted a political declaration, the guideline for the PLO from now on, and elected new leading bodies of the organization.

With the cause of Palestinian revolution under severe test, the meeting stuck to unity and displayed democracy. For a long time, internal disputes have existed in the PLO on how to realize the goal of the Palestinian revolution. At the opening session, Chairman of the PLO's Executive Committee Yasir 'Arafat stressed the need to let every delegate have his say so as to strengthen unity and arrive at a common understanding in a democratic atmosphere.

During the meeting, delegates of varying groups had hot debates, mainly on how to regard the Reagan plan and the Fes declaration and on other strategic issues such as relations with other Arab countries. One faction of the delegates held that, under the present situation, any act of accepting the Reagan proposal and the Fes declaration means surrender and the two ideas must be rejected outrightly. In their opinion, the only way out is to carry on armed struggle for the liberation of Palestine. Another faction of the delegates thought that the Fes declaration is a "Palestinian decision" which is the basis for a just solution of the Middle East problem. They said there are two sides to the Reagan plan which should not be totally rejected. These delegates held that a realistic stand must be taken to combine armed struggle with political struggle and that "armed struggle is a complement to political struggle." They also proposed to resume "dialogue" and strengthen relations with Egypt.

Differences have also arisen over such issues as the establishment of a confederation with Jordan and Palestine-Syria relations. However, as all the 400 delegates were fully aware that to maintain national unity is the guarantee of victory and should be the prime concern for the PNC, they managed to seek common ground while reserving differences.

Through constant consultations and exchanges of views, the congress adopted a political declaration as the guideline for Palestine's struggle. While stressing the importance of internal unity among various groups within the PLO, the declaration pointed out that the Arab Fes summit was a minimum program of political activities for the Arab countries.



It refused to regard U.S. President Ronald Reagan's Middle East proposal as an effective basis for the solution of the Arab-Israeli conflicts. Palestine-Jordan relations should be established on the basis of a confederation of two independent states, the declaration said.

The positive results achieved at this congress show the political maturity of the PLO. Under its leadership and with support from the people of other countries, the Palestinians will surely realize their lofty goal of national liberation.

COMPARISON OF ZHAO PARLEY WITH IVORY COAST'S AKE

Beijing XINHUA in English at 1519 GMT on 2 March transmits a report on the meeting in Beijing between Zhao Ziyang and Ivory Coast Foreign Minister Ake which has been compared with the XINHUA English report transmitted at 1200 GMT on 2 March and published in the 2 March China DAILY REPORT, page I 2, under the heading "Meeting With Zhao Ziyang," and the following variations have been noted:

Page I 3, following paragraph 1, add the following statement by Zhao: "China will regard its economic cooperation with Africa as the main point for the development of South-South cooperation."

Page I 3, following paragraph 3, add the following paragraphs:

"We are sure that the establishment of diplomatic relations between the two countries will open broad prospects for further establishment of mutual trust and cooperation between the two countries." Ake praised Zhao for his successful visit to 11 African countries not long ago, saying: "The Chinese premier's visit is a great inspiration to Africa."

Gong Dafei, vice-minister of foreign affairs, was present at the meeting.

BRIEFS

GEOLOGISTS IN TANZANIA -- Dar es Salaam, March 2 (XINHUA) -- The Chinese geological survey delegation left here for home today, at the conclusion of a month-long three-nation study tour of the East African Rift systems. During its stay in Tanzania, the delegation observed the geological phenomena of volcano and lake along the Great East African Rift in the regions of Kilimanjaro and Arusha. It also visited the diamond and gold mines in the regions of Mwanza and Shinyanga. The Chinese geologists had academic discussions and exchanged information and data with Tanzanian scholars. The delegation had visited Kenya and Zambia before it came to Tanzania. [Text] [Beijing XINHUA in English 1830 GMT 2 Mar 83 OW]

YU QIULI SPEAKS OF LEI FENG SPIRIT, PLA OFFICERS

## Praises Lei Feng-Type Cadre

OW022026 Beijing XINHUA Domestic Service in Chinese 1541 GMT 1 Mar 83

[Report by Chen Maolin [7115 5399 2651]]

[Text] Beijing, 1 Mar (XINHUA) — The General Political Department held a meeting this afternoon to mark the 20th anniversary of Chairman Mao's inscription on learning from Lei Feng and to report on various Civility and Courtesy Month activities. Prior to the meeting Yu Qiuli, deputy secretary general of the Military Commission of the CPC Central Committee and director of the General Political Department, met with Lei Feng-type cadre Zhu Boru. He pointed out: We must do a good job in disseminating the kind of Lei Feng spirit demonstrated by Comrade Zhu Boru so that a large number of people of this new type will emerge from our Army to develop socialist spiritual civilization in the whole Army.

Yu Qiuli said: Twenty years ago Deng Xiaoping, chairman of the Military Commission of the CPC Central Committee, pointed out in his inscription: Whoever seeks to be a genuine Communist should learn from Comrade Lei Feng's moral character and style. Zhu Boru demonstrates this kind of moral character and style. He is a glorious pacesetter in learning from Lei Feng and a lofty person. We must learn from Comrade Zhu Boru and let even more comrades become persons with lofty ideals and fine moral characters who will perform good deeds for the masses and continue to maintain and carry forward the Lei Feng spirit.

Zhu Boru is the deputy director in charge of an Air Force oil depot. The masses have praised him as a living Lei Feng of the new period. He has persistently learned from Lei Feng and performed a number of good deeds for the masses. At today's meeting he introduced his experience in how to keep all the people around him warm with his own enthusiasm, and offered his share in working hard to change the general mood of society.

Huang Yukun, deputy director of the General Political Department, delivered a speech at the meeting. He urged all organs and commanders and fighters of various units under the command of the General Political Department to learn from heroes and model fighters such as Lei Feng and Zhu Boru, foster lofty communist ideas and a moral character, actively participate in various "All-People Civility and Courtesy Month" activities, further strengthen Army discipline and maintain required standards for appearance and bearing, preserve order in Army compounds, create an excellent environment for working and living, enthusiastically join local organizations in promoting spiritual civilization, and stand at the forefront in developing this mass movement.

Yan Jinsheng, Hua Nan and others also attended the meeting.

## Urges Better Officer Standards

OW030820 Beijing XINHUA in English 0721 GMT 3 Mar 83

[Text] Beijing, March 3 (XINHUA) -- The People's Liberation Army of China needs officers who are younger, better educated, more competent in technical fields and, above all, revolutionary, according to Yu Qiuli, director of the Army's General Political Department. The director's remarks appear in today's LIBERATION ARMY DAILY [JIEFANGJUN BAO].

Speaking at a conference on Army schools on Tuesday, Yu Qiuli, who is also deputy secretary-general of the Military Commission of the Chinese Communist Party Central Committee, said the Army should drop past practices of promoting its officers.

First, Yu Qiuli said, the Army should drop the practice of selecting officers mainly from the infantry, which is the main force of the Army. Instead, it should stress selecting officers with better education and scientific and technical knowledge from the technical corps.

Second, the Army should promote officers with college education, working at various offices above regimental level, instead of promoting officers from combat forces alone.

Third, young and competent teachers at Army schools should be promoted to commanders of combat forces.

And finally, the practice of promotion through seniority should be discarded, he said. Some outstanding division commanders or political commissars should be promoted directly to Army commanders and commissars.

Yu Qiuli said that the key to getting younger and more competent officers lies in Army schools. The Army should send its best officers to teach or be trained at Army schools and not begrudge the schools advanced equipment and funds. Besides examination and training of officers, Army schools should recommend their trainees to Army units which should, in turn, consider the schools' recommendations in assigning these officers to various posts, Yu Qiuli said.

In promoting officers, Yu said, their political capabilities come first. If they are politically sound, they can acquire competence through training at Army schools. But the influence of "left" thinking in discriminating against intellectuals should be eliminated. So long as an intellectual is willing to work for the country's modernization and is politically unified with the party's Central Committee, he is qualified politically. Such officer candidates should be encouraged in the pursuit and use of their knowledge.

Hong Xuezhi, who is director of the Army's General Logistics Department and a deputy secretary-general of the Military Commission, also spoke at the conference. He encouraged officers of various logistics departments to study the military as well as their own work, and urged military officers to study logistics work, too.

#### LATE ZHOU ENLAI'S LETTERS TO GUO MORUO (1942-46)

HK030550 Beijing RENMIN RIBAO in Chinese 2 Mar 83 p 2

[Text] Comrade Zhou Enlai's four letters to Comrade Guo Moruo between March 1942 and December 1946:

A Letter to Comrade Guo Moruo Dated 7 March 1942:

Dear Moruo:

Have finished reading "Qu Yuan's Ideas" (footnote 1). It is very interesting that you regard "rule by virtue" and "rule by law" as two major trends of thought on social reform at that time. But a controversy may arise from that statement. That is, the former represents the reformists, while the latter represents the revolutionists. Of course this argument is also based on insufficient grounds because, in my opinion, China's feudal system was finally completed in the Western Han Dynasty, and the reform was not finished until the revolution of Chen Sheng and Wu Guang or even Xiang Yu and Liu Bang. Therefore, either "rule by virtue" or "rule by law" was but a concept or practice during this period of transition from the slavery system to the feudal system and was a product of the times. I agree with you in regarding Qu Yuan as a great thinker and an artist, but it is still open to question to regard him as a revolutionary thinker. What do you think?

In the original text there was a literary quotation "Guan Shan Zhu Hai [7070 1472 3554 3189]." Was it a corrected version of "Guan Shan Fu Hai [1351 1472 1650 3189]" (footnote 2) by textual research? I thought must be a slip of the pen and have thus corrected it. Now I am writing to ask your opinion.

Your interpretations of the basic spirit of humanity and righteousness are good. But I have taken the liberty to replace the Chinese character "kuai [1816]" in "what should be done must be done fast [gai zuo di jiu kuai zuo 6115 0254 4104 1432 1816 0254]" with another Chinese character "yao [6008]." I think this is more dialectical. I am not sure whether you would agree with me?

The above was written in haste. I salute you!

Yours,

Zhou Enlai; 7 March

A Letter to Comrade Guo Moruo Dated 17 September 1944:

Dear Moruo:

I have thought of you often since we last met. Although the comrades here have never seen you, they have frequently read your fine works and are looking forward to meeting you.

Recently, the Yan U (footnote 3) has been rehearsing Beijing operas adapted from your "Imperial Tally" [a tiger-shaped tally issued to generals as imperial authorization for troop movement in ancient China] and "Gao Jianli." (footnote 4) They have not yet attempted to adapt the two to modern drama form. "Qu Yuan" (footnote 4) was staged 2 years ago, but regrettably I did not see it.

Some rapid development has been made here over the past year. We frequently have visitors coming by air and by land. Following the five people's political councillors (footnote 5), is there someone in the cultural circle who wants to visit Yanan? If you have the intention, why not give it a try? Your attempt surely may not be successful but it could create some public opinion. However, the visit must be proposed by such persons as Shu, Hong and Yao. (footnote 6) I don't know whether you can influence them. Please discuss it with Bing and Chao. (footnote 7) Our comrades here are longing for you to visit.

I have learned that you have been recently engrossed in historical research. I hope that you can mail me a mimeographed copy of your work if you have one. If you have other fine works, please also send me some. Reading your writings is like talking with you.

With high regards to you and your wife,

Zhou Enlai; 17 September

A Letter to Comrade Guo Moruo Dated 17 November 1946:

Dear Moruo and Qun (footnote 8):

I am sorry that we did not have enough time to talk with each other because of our hasty parting at our last meeting. Moruo's return to Shanghai and efforts there have yielded great results. It is as we have expected that your penetration into the youth party has made old Li (footnote 9) waver.



However, this matter is of a slightly different nature. Therefore you may treat him with reservation for the time being. Since this storm, the Democratic League has had a more stable lineup but it still has many problems. I hope that you will give them some encouragement. The struggle for democracy is arduous and tortuous. We should make every effort to win over those middle-of-the-roads.

Now that the "National Assembly" has been opened, they will play many tricks. The Constitution, the national government and the Executive Yuan are enticing and deceiving people. To expose their deception depends upon people from all circles. The political consultative conference has been disbanded. From now on we will see what is going to happen on the battlefield. We surely will know the result in 6 months or 1 year. If peace is necessary by then, a conference among parties and the coalition government will remain our consistent policy. I and others will leave for home on the 19th. Looking east towards the Shanghai Bund, I cannot bear to leave. Please give my regards to all friends and take good care of yourselves.

Say hello to your children.

Hao [Zhou Enlai's alias was Wu Hao]; 17 November, evening

A Letter to Comrade Guo Moruo Dated 31 December 1946:

Dear Moruo:

It has been 2 months since we last met. The situation at home and abroad is developing towards isolating that reactionary dictator. Next year will be one in which this struggle will become arduous and changes will be anticipated. If we dare to face difficulties and adhere to the people's line, we surely can overcome the difficulties and advance towards victory. In order to isolate that reactionary dictator, a struggle is needed from inside in coordination with forces attacking from outside. You are standing inside. It needs the establishment and expansion of a democratic patriotic front and you are standing at the van of the front. As you work at this arduous workpost, thousands upon thousands of people are pinning their hopes on you. In 6 months or 1 year you will see a qualitative leap forward on our side. By then we will either advance hand in hand together or play that splendid historical drama of struggle from inside in coordination with forces attacking from outside. Have you published any new poems or articles besides those published in newspapers? If it is convenient for you, I earnestly hope that you can send me some.

This letter is hastily written.

Wishing you and your wife a happy New Year.

Wishing your whole family good health.

Zhou Enlai; 31 December, Yanan

Chao (footnote 10) says hello to you.

Footnotes:

1. "Qu Yuan's Ideas" is part 3 of the article "A Study of Qu Yuan" written by Guo Moruo in February 1942; see "Collected Works of Moruo," Vol XII, p 401, first edition by the People's Literature Publishing House in June 1959.

2. It is "Guan Shan Fu Hai" in "Collected Works of Moruo," Vol XII, p 409. According to the 1931 edition of "Ci Yuan," [a dictionary] published by the Commercial Press, "Guan Shan Fu Hai" is also written as "Guan Shan Hai" meaning government management of mountain and sea resources. "Hai Wang Chapter of Guan Zi" says: "Huan Gong [a king of the kingdom of Qi] asked: 'Then how can I finance the national spending? Guan Zi answered: 'You can do it by bringing mountain and sea resources under government management.'"

3. The Yanan University.

4. "Imperial Tally," "Gao Jianli" and "Qu Yuan" are historical dramas written by Guo Moruo in Chongqing in 1942) see "Collected Works of Moruo," Vols III and IV.

5. On 15 September 1944, the 14th Meeting of the 3rd Session of the People's Political Council decided to send an inspection group, composed of Leng Yu, Hu Lin, Wang Yunwu, Fu Sinian, Tao Meng and five nonparty political councillors, to visit Yanan. The trip was aborted. Later on, an inspection group composed of political councillors Chu Fucheng, Huang Yanpei, Leng Yu, Fu Sinian, Zuo Shunsheng and Zhang Bojun flew to Yanan from Chongqing on 1 July 1945.

6. Shu was Lao She whose original name was Shu Qingchun and who styled himself as She Zi. Hong was Hong Shen. Yao was unidentified.

7. Bing was Xu Bing and Chao was Feng Naichao.

8. Qun was Guo Moruo's wife Yu Lique.

9. Li was Zhang Junli (1887-1969) who was born in Baoshan County, Jiangsu. He repeatedly formed party organizations which appeared as a third party. In the capacity of leader of the "Chinese Democratic Socialist Party," he took part in the puppet "National Assembly" held by Chiang Kai-shek in November 1946.

10. Chao was Deng Yingchao.

#### OFFICIALS STRESS IMPORTANCE OF CULTURAL REFORM

##### Zhu Muzhi Speech at Forum

OW030405 Beijing XINHUA Domestic Service in Chinese 1650 GMT 2 Mar 83

[By reporter Zhuo Peirong]

[Excerpts] Beijing, 2 Mar (XINHUA) -- This afternoon the Cultural Section of the CPPCC National Committee, the Ministry of Culture and the All-China Federation of Literary and Art Circles jointly called a forum on reforming the cultural system.

In his speech, Minister of Culture Zhu Muzhi stressed that reforming the cultural system is a revolution. It is necessary to conduct careful study and investigation and carry it out resolutely and systematically in accord with varied conditions and different types of activity, in order to achieve success in reform.

Zhao Xun, permanent secretary of the Secretariat of the All-China Federation of Literary and Art Circles, pointed out: It is very important to promote understanding of reform; reform of the cultural system must be effected resolutely. Success in reforming the cultural system hinges on whether or not the reform improves work efficiency, acts in accordance with the law governing literature and art, helps develop socialist spiritual civilization and improves and strengthens party leadership over literary and art work.

He suggested that, in carrying out reform of the cultural system, it is necessary to keep the general goal in sight and take the daily tasks in hand, have a firm attitude, emancipate thinking and carry out daily tasks systematically.

More than 40 people from the literary and art circles in the capital attended the forum.

#### Zhao Xun Article

HK021146 Beijing GUANGMING RIBAO in Chinese 19 Feb 83 p 3

[Article by Zhao Xun [6392 1416], executive secretary of China Federation on Literature and Art Circles: "Some Ideas Concerning Reform of the China Federation of Literature and Art Circles"]

[Text] The imperative for reform in the literary and art systems is commonly felt by comrades in contemporary literary and art circles. Original systems need to be reformed in some places. If reforms do not take place, the development of the cause of socialist literature and art will be hindered. At present the urge for reforms has become the prevailing practice. The vitality of this practice has emerged in units that took the lead in conducting experiments. In addition, these units are full of life.

Socialist literature and art can be developed through many channels. The two principal channels are: 1) through administrative means in government departments; 2) through social means in mass organizations. Literature and art, with their laws and characteristics, need a large field for their development. It seems that, in the future, literature and art will be developed increasingly through social means. The China Federation of Literature and Art Circles and other literary and art associations are precisely the mass organizations that develop literary and artistic activities, promote literary and artistic creativity and implement the party's principles and policies on literature and art through social means. Throughout the country, at present, there are 470 national or local China federations of literature and arts and and literature and art associations. Members number in the hundreds of thousands. Millions of members form a literary and artistic force whose power for building spiritual civilization cannot be overlooked. However, whether these mass organizations have aroused the masses' enthusiasm and whether they have fully promoted the roles played by social means are questions that deserve our consideration when we carry out reforms.

The character of the China Federation of Literature and Art Circles and other literature and art associations is stipulated in their constitutions. They are professional literary and art organizations formed by writers and artists on a voluntary basis under the party's leadership. Thus their revolutionary character (they are formed under the party's leadership), professional character (they are literary and art organizations) and mass character (they are mass organizations) have been decided. Their revolutionary character and professional character is the basic character of the China Federation of Literature and Art Circles and other literary and art associations.

Mass organizations must conduct their activities among the masses so as to make the masses recognize that they are their own organizations. Their activities absolutely must not be divorced from or conducted above the masses. Otherwise, bureaucracy and the work style of government officers in feudal China will emerge. The divorce from the masses is the fatal weakness of these organizations.

How can they keep from being divorced from the masses? The essential thing is that workers of these organizations have the idea of serving the people and the work style welcomed by the masses. In addition, they should be guaranteed by rational systems. During the war we established many mass organizations in liberated areas. In difficult years those organizations could not hold on, develop and play their roles in supporting the war and in uniting the masses because they conducted their activities among the masses and were not for a single moment divorced from them. Those organizations and the masses fought side by side and there was a common faith and an inseparable relationship between them.

Today, what is our common faith and common goal of struggle? The answer is socialism. Our slogan is: To serve the people and socialism. In order to promote the spirit of serving people it is necessary forever to bear in mind that the China Federation of Literature and Art Circles and other literary and art associations are mass organizations. Mass organizations are established by the people. They are organizations for the masses. It is necessary to place our organizations among the masses of literary and art circles and under their supervision. In addition it is necessary to form a system on such an ideological basis in order to ensure that masses' organizations will not be divorced from masses in the literary and art circles.

Democracy is identical to the mass character of mass organizations. Mass literary and art organizations should be established and run by all people in literary and art circles, but not by people outside them. Their leading organs and people responsible for actual work should be selected through democratic elections so as to promote democracy comprehensively. There should be regular changes in personnel on a rotational basis. For example, secretaries of the secretariats should not be limited to writers and artists in Beijing or provincial capitals. They can be selected within the whole country or the whole province. Writers and artists selected should organize the leading ranks. The establishment cannot be changed while there should be regular changes in personnel on a rotational basis. Tenure in office should not be too long (for example, about 2 years will be enough), and office holders can be elected in turn (for example, one-third of office holders are elected each time). There are many advantages to letting professional writers and artists run the China Federation of Literature and art circles and other associations. They know their business and have good knowledge of the laws of literature and the arts. They know conditions in literary and art circles and the sweetness and bitterness in their work. They have established wide contacts among themselves. They have a common language and can communicate with each other. In addition, they have gone through thick and thin together and harbor the same feelings. Besides, their leadership can be further perfected through work. They can be reelected consecutively, but they should not be elected three times. Life-long tenure should not be allowed. In addition it is necessary to avoid using bureaucrats to direct literary and art organizations.

The national and local China Federation of Literature and Art Circles and national literary and art associations and their branches can practice the system of cadre exchange. With the consent of local federations of literature and art circles and branches of associations, national China Federation of Literature and Art Circles and other associations can borrow key cadres, writers and artists from them and let them work in Beijing.



Conversely, with the consent of the national China Federation of Literature and Art Circles and other associations, local federations of literature and art circles and the branches of the associations can borrow artists and writers from them who used to work in Beijing and let these writers and artists work in local federations of literature and art circles and the branches of the associations. They can be borrowed for any length of time while the establishments do not change. In this way, with the exchange of personnel, comrades of the national China Federation of Literature and Art Circles can understand local conditions better, develop investigations and gain experience in work at the grassroots level; conversely, comrades of local federations of literature and art circles and branches of the associations can better understand the spirit of central authorities and of the overall situation, relay information to local organizations on time, keep national and local federations of literature and art circles and other associations and their branches in touch in their work and establish an organizationally intimate relationship between them.

Work plans of the national China Federation of Literature and Art Circles and other professional associations should include important activities of local federations of literature and art circles and branches of the associations. In this way they can cooperate with each other and all the literary and artistic activities of the nation will be coordinated as in a chess game. These plans can be implemented by the national China Federation of Literature and Art Circles and the associations or by the local federations of literature and art circles and the branches of the associations. The activities can be conducted in Beijing or in the provinces, prefectures and counties and so on. The China Federation of Literature and Art Circles should unite with writers and artists of the whole country, have the whole country in view and conduct its activities within the whole country. Its principle should be: more cooperation and less unified control, guidance from higher authorities and concrete work for the lower levels.

Various departments of the China Federation of Literature and Art Circles should fix the tasks, make decisions on the organs and personnel, practice the system of contracting specialized jobs and give payment according to work. They should mobilize social forces to carry out its work. For example, they can employ special editors, special copy editors, special proofreaders and special translators who are paid according to the quality and quantity of their work. In addition they can employ some retired cadres to conduct activities within their abilities. In short, the China Federation of Literature and Art Circles and other associations should mobilize social forces on a grand scale to develop their work.

In recruiting working personnel, the China Federation of Literature and Art Circles and other associations can adopt the contract system or the method of inviting applications for jobs through advertisement. Applicants are examined and only the best ones are employed. They can trial-practice the contract system with the amount of work and the period of validity of the contracts fixed. When the contract expires they can renew their contract with the consent of both parties. Mobility of cadres and experts within certain limits should be permitted so that they can find work to which they can give full play to their talent and abilities.

We can trial-practice diversified systems of creativity among professional writers so as to expand the contingent of writers and make them professional writers in reality as well as in name. It is necessary to raise creativity funds in order to give living allowances to people engaged in creative work.

Associations gifted with favorable conditions can trial-practice the method of "raising funds for creative work" until it is no longer necessary for them to rely on government funds. They can use the funds raised by themselves to support literary and artistic businesses (for example, publication of literary and artistic works and various literary and artistic services). They should tap new financial resources and make themselves financially self-sufficient.

Mass organizations should promote their superiority of democracy and social means so as to unite comprehensively with literary and art circles, arouse their socialist enthusiasm and more efficiently build socialist spiritual civilization.

Whether these tentative ideas are feasible and correct remains to be judged by practice. However, I think it is time we took action. Reforms cannot be achieved overnight. There must be a process in which we proceed from not so correct, not so perfect to more correct and more perfect. It is necessary to explore the laws when we carry out reforms. By summarizing experience we can achieve results which should be gradually popularized. It is hoped that people in our literary and art circles will take action in various aspects in their own posts. Our actions should be resolute and cautious. We should not hesitate to move forward. However, we must not take any hasty action or rush headlong into mass action. The general principle is still what has been pointed out by comrade Hu Yaobang: "Proceed from reality and reform in a comprehensive, systematic, resolute and orderly manner."

#### SENIOR JOURNALISTS' TITLE COMMITTEE INAUGURATED

OW251121 Beijing XINHUA Domestic Service in Chinese 1430 GMT 23 Feb 83

[Text] Beijing, 23 Feb (XINHUA) -- The National Committee for Judging Senior Journalists' Titles was established in Beijing yesterday and the first plenary session was held at that time. Yu Wen, permanent deputy director of the CPC Central Committee Propaganda Department and chairman of the National Committee for Judging Senior Journalists' Titles, presided over the meeting.

The committee works under the leadership of the CPC Central Committee Propaganda Department and the Ministry of Labor and Personnel. The meeting defined the committee's tasks as follows: 1) Review all applications for the title of Special Grade Reporter (including copy editor of journalists' departments) in the country. Lists of special grade reporters (copy editors) already rated by different units should be submitted to the National Committee for Judging Senior Journalists' Titles for review. With the committee's approval, the title will then be conferred and certificates issued by the units concerned. 2) Provide guidelines for solving common problems in evaluating journalists' titles in the country.

The Committee for Judging Senior Journalists' Titles has an office under it that presently drafts detailed regulations for rating journalistic titles. The office is located at the All-China Association of Journalists.

The committee is composed of responsible persons of central press units and notables in news circle.

They are: Yu Wen, Wang Yi (first secretary of All-China Journalists' Association), Chen Bojian (deputy director general of XINHUA NEWS AGENCY), Zhai Xiangdong (a member of the administrative committee of RENMIN RIBAO), Li Pu (former deputy director general of XINHUA NEWS AGENCY), Miao Hailing (former deputy director general of XINHUA NEWS AGENCY), Shang Kai (former chief of the reporters' department of RENMIN RIBAO), Chen Quanbi (former deputy chief of the international department of RENMIN RIBAO), Jin Zhao (adviser to the Ministry of Radio and Television), Yang Zhaolin (head of the central station of the Ministry of Radio and Television), Zhang Lei (deputy director general of ZHONGGUO XINWEN SHE), Lu Liang (deputy director of JIEFANGJUN BAO), Liu Aizhi (deputy editor in chief of GUANGMING RIBAO), Zhang Pei (deputy editor in chief of JINGJI RIBAO), Shi Mai (former deputy director of GONGREN RIBAO), She Shiguang (director of ZHONGGUO QINGNIAN BAO), Zhang Linxuan (deputy director of the Bureau of Science and Technology cadres of the Ministry of Labor and Personnel), Zhong Peizhang (director of the Information Bureau of the CPC Central Committee Propaganda Department) and Shi Fang (deputy director of the Cadres Bureau of the CPC Central Committee Propaganda Department). The vice chairmen are: Wang Yi, Chen Bojian and Zhai Xiangdong.

#### OFFICIALS VOICE CONCERNS ABOUT POPULATION

##### Hao Jianxiu on Theory Study

OW022120 Beijing XINHUA Domestic Service in Chinese 1558 GMT 1 Mar 83

[By reporter Li Guangjia]

[Text] Beijing, 1 Mar (XINHA) -- The study of population theory must be based on facts gained from studying historical experiences, the current situation and future developments in order that the views and arguments we put forward can truly serve economic and social developments and be accepted by the people. This statement was made by Hao Jianxiu, alternate member of the CPC Central Committee Secretariat, at a forum which opened today on population theory to mark the centenary of the death of Marx.

Demography is a comprehensive social science and is directly linked to the national economy and the health and education of citizens. Hao Jianxiu said that the achievements in China's family planning work are partly attributable to the study of theory and propaganda work. The current political and economic situation is very favorable to population theory study. On the question of how further to strengthen the study of population theory, Hao Jianxiu suggested that it is necessary to persist in Marxism-Leninism-Mao Zedong Thought. It is necessary to link study with practice and find out the real problems, what people think, what they really want, and, particularly, what the 800 million rural people think about family planning and their real problems. It is necessary to develop a whole set of measures for the reproduction and rearing of good offspring. We must think about matters of great importance, perform good deeds and exert great efforts. It is necessary to strengthen propaganda and training in population theory and use propaganda and training to help field workers raise their theoretical level and arm their thinking with the Marxist-Leninist population theory. Comrades in both the theoretical and practice departments must closely cooperate with each other and make greater contributions in controlling population growth and raising population quality.

The forum was sponsored by the Population Theory Research Institute of the Chinese People's University. Qian Xinzong, minister of the State Family Planning Commission, spoke at the meeting. Over 240 people attended today's forum including teachers engaged in demographic study from the nation's institutions of higher learning, teachers engaged in theoretical research from the Central Party School and local party schools, workers from family planning departments and students majoring in demography from the Chinese People's University. The forum will close on 4 March.



## Qian Xinzong on Family Size

OW020631 Beijing Domestic Service in Mandarin 1200 GMT 27 Feb 83

[Text] A national meeting on exchanging experience during Family Planning Propaganda Month was held in Tianjin 23-27 February.

Qian Xinzong, minister of the State Family Planning Commission, said at the meeting: A central leading comrade recently pointed out that family planning has a bearing on economic development and national prosperity. We should not slacken our efforts, even slightly, nor should we waver. We must fully affirm the achievements of the Propaganda Month campaign and persistently continue all effective measures. Party committees at all levels should put family planning work in their daily agenda of important items, seriously sum up the experience gained in the Propaganda Month campaign, guard against conceit and impetuosity, make persistent efforts and do family planning work well.

At the meeting, representatives from various localities happily reviewed the excellent situation in family planning work over the past month and more. They hold that the basic policy of the state concerning family planning has been known to every family and has become rooted in the hearts of the people, that -- with each passing day -- the broad masses of cadres and people have been raising their consciousness on the need to practice family planning.

According to incomplete statistics, 8.86 million birth control operations have been performed in China during Propaganda Month. Among these operations, the number of ligations of the oviduct and vasectomies is 1.5 times that of 1981.

HONGQI COMMENTATOR SCORES 'SEX DISCRIMINATION'

HK030124 Beijing CINA DAILY in English 3 Mar 83 p 2

["Opinion" column: "Sex Discrimination Incompatible With Socialist Principles"]

[Text] "Strive to overcome the decadent prejudice of looking down upon women," says a commentator's article in HONGQI (RED FLAG), the organ of the CPC Central Committee. Excerpts of the article follow:

Since the "one couple, one child" policy was adopted, there have been cases of people abandoning or killing their newborn female babies in order to try for male children next time. Some people have mistreated -- even to the point of hounding to death -- wives or daughters-in-law who had given birth to girls. These brutal acts, resulting from the feudal idea that couples who have daughters but no son are heirless, violate the legitimate rights of women and children and the state's birth control policy, and hinder modernization.

In its revolutionary period the bourgeois class attacked discrimination against women as practised by slave owners and landlords to maintain their hereditary system. But the struggle was limited because the bourgeois class merely substituted another form of exploitation. The proletariat, different from all other classes, links its own liberation with the liberation of women and all mankind.

In a modern society, male and female are equal. A woman is a descendant of her parents, no matter whether she has her father's or her mother's name, or whether she marries into another family. Her child is, in fact and in law, a descendant of her and her parents as well as of the father and his parents.

Women as well as men have the responsibility of supporting their parents, according to the new Constitution. Some people with old ideas do not consider women to be members of their original families after their marriages, and then feel ashamed to be supported by their daughters.



Some women, especially in rural areas, are unwilling to support older people. But there are also men who, with various excuses, refuse to support the elders in their families. The problem does not lie in whether it is a male or a female who refuses support but in the lack of morality and sense of law of the young people.

Women have the ability as well as the responsibility to support their parents or grandparents. Although often weaker than men in physical strength, women are equal or superior to men in other ways. In the countryside, women are playing a more and more important part in the diversified economy, such as in household sideline production, commercial businesses, service industries and education.

Women's income provides a larger and larger part of the family income. Some earn as much as -- or more than -- men, both in the countryside and urban areas. As a combination of physical and mental work gradually replaces simple heavy manual labour, through the development of science and technology, educated women will enter more and more fields.

For their part, authorities should abolish the existing sex inequalities in employment, enrolment, distribution of houses, salary and subsidies.

Women should overcome their sense of inferiority, recognize their equal rights with men and take their part as masters of the country. Women, especially young women, are now in the front line in the battle against traditional prejudice and feudal ideas. With their success in properly solving the problems of love, marriage, childbirth and other family matters, the liberation of women will move forward.

#### NEW SYSTEM SUBSTITUTING PROFITS FOR TAXES SET

OWO21752 Beijing XINHUA in English 1631 GMT 2 Mar 83

[Text] Beijing, March 2 (XINHUA) -- A new taxation system is to be adopted nationwide in China's enterprises this year to replace the profit-delivery system, the Ministry of Finance announced.

The tax rate for large and medium-sized enterprises will be 55 percent, the ministry said, and the profit after tax will be shared between the state and enterprises. For smaller enterprises, an eight-grade progressive income tax will be levied. All enterprises will pay fees for their fixed assets and the circulation funds they use.

The new system also encourages workers in small industrial and commercial enterprises, as well as service and catering enterprises to run their enterprises on an individual or cooperative basis, responsible for their own profits and losses. The system has been tried out in several hundred enterprises and, based on their experience, the Ministry of Finance has worked out a draft outlining methods to be adopted in instituting the taxation system.

The State Council has approved the draft, and the methods contained will be discussed at a meeting to be held soon for nationwide application. In a frontpage editorial, the PEOPLE'S DAILY today says the system is an "important measure to ensure stable, progressively increased state revenue while bringing into full play the initiative of the enterprises."

The system -- a major step to transform the present taxation system -- is yet another step in the effort to overcome problems resulting from the rigid financial control by the state practised in China for over two decades, the paper says.

Under the old system, Chinese enterprises had to hand over whatever they earned to the state and ask the state for whatever funds they intended to use.

A much-publicized example is the Capital Iron and Steel Company in Beijing. The company, one of the largest in China employing 70,000 people, once had to go through red tape to get 400 yuan to buy an electric motor.

Since 1979, a new system was tried out which allows enterprises to retain part of their profits for their own use -- upgrading equipment, improving working conditions and fringe benefits, and awarding advanced workers -- upon fulfilling their state profit-delivery and other quotas. The paper says this is an "obvious progress over the old practice of 'eating from the same big pot'". Nevertheless, the paper stresses "it is very difficult to fix base figures for the part of profit to be turned over to the state and the percentages to be retained by enterprises". This is because conditions are vastly different from one enterprise to another, the paper explains. In addition, it continues, the base figures and the percentages, supposedly not to be changed in several years, can hardly conform to the changing economic situation.

The new taxation system, says the paper, will ensure a still better relations between the state and the enterprises in distribution. At the same time, it will increase the independence of enterprises in management, the editorial says.

#### State Council Regulations

OW020652 Beijing XINHUA Domestic Service in Chinese 1430 GMT 1 Mar 83

[Text] Beijing, 1 Mar (XINHUA) -- A XINHUA reporter learned from the State Council today: The State Council has circulated with comments a draft of the "Trial Regulations Governing the Substitution of Taxes on State Enterprises for Profits Delivered to the State" [guo ying qi ye li gai shui shi xing ban fa 0948 3602 0120 2814 0448 2395 4451 6107 5887 6586 3127] preparatory to its distribution to concerned departments and comrades in various localities for study and discussion so that revisions can be made as soon as possible before they are submitted for trial implementation.

The State Council pointed out in its written comments that enforcing the substitution of taxes on state enterprises for profits is an important aspect of the reform of the economic management system. In handling distribution relations between the state and the enterprises, the substitution of taxes for profits is a type of reform far superior to all other measures for effecting reform.

Li Peng, vice minister of finance, told a XINHUA reporter that the Ministry of Finance and the State Commission for Restructuring the Economic System met in Shanghai, Tianjin and Jinan at the end of last year to look into and survey the work of substituting taxes for profits delivered to the state and summed up the experience gained in trying out such methods in selected localities. The findings proved that it is feasible to implement universally the method of levying an income tax on profits netted by state enterprises across the country. This measure is simpler than the measure of turning fixed profits over to the state. Furthermore, it is in keeping with the principle of guaranteeing the largest share of profits to the state, a medium-sized share to enterprises and a small share to individuals. It is also compatible with the method of reforming the economic management structure. He said: The Ministry of Finance will call a meeting in the near future to discuss measures governing the substitution of taxes on state enterprises for profits delivered to the state and to formulate specific measures for implementation so that they can be universally promoted this year.

## RENMIN RIBAO Editorial

OW020335 Beijing XINHUA Domestic Service in Chinese 1456 GMT 1 Mar 83

[Text] Beijing, 1 Mar (XINHUA) -- The 2 March RENMIN RIBAO carries an editorial entitled: "The Substitution of Profits With Taxes Is a Major Reform." The editorial reads:

In 1983, on the basis of summing up our previous experiences, we must continue to implement the principles of readjustment, restructuring, reorganization and upgrading, and speed up the pace of reform in economic and other spheres. The substitution of profits with taxes in state-owned industrial, commercial and communications enterprises is an important aspect in reforming the economic system. What we call substitution of profits with taxes refers to the practice of an enterprise paying taxes according to categories of taxes and tax rates prescribed by the state rather than turning over its profits to the state. In the past few years we have tested various forms of profit -- retention measures at various state-owned enterprises and have achieved preliminary results in readjusting the distribution of profits between the state and these enterprises and in arousing their enthusiasm. Compared with the previous egalitarian practice of handling revenue and expenditure under a centralized system, this is undoubtedly noticeable progress. Facts prove, however, that it is not easy to set a rational base and rates for the sharing of profits under the profit-retention system since the situation of one enterprise may be vastly different from that of another; and because profit-retention measures would not be changed for several years once they were set, they could hardly adapt to the constantly changing economic situation. The substitution of profits with taxes quite properly can handle the relationship of distribution between the state and an enterprise, thus giving an enterprise greater freedom to improve further the various forms of contract systems which have already been adopted or are about to be adopted. For this reason we can say that substitution of profits with taxes is a big step ahead of the retention of profits and is in line with the direction of reforming the economic system, and that it is an important measure for correctly handling the distributive relationship between the state and enterprises, ensuring the state's revenue and bringing the enterprises' potential into full play.

Generally speaking, experiments in substituting profits with taxes that have been conducted at hundreds of selected enterprises in some provinces and municipalities over the past 3 years have been successful. As a result of pressure from without and motive forces within, those enterprises in which experiments substituting profits with taxes were conducted have developed production and increased profits; this means greater revenues for the state and the enterprises concerned as well as more income for individual workers. In short, the entire economic performance has been quite satisfactory.

The substitution of an enterprise's profits with taxes in a major reform of the current fiscal and taxation system. This reform not only guarantees the steady growth of state revenues and the realization of state plans; it also helps spur enterprises to improve their operations and management, encourages the advanced, gives impetus to those who fall behind and fundamentally improves the state's relations with enterprises.

This reform also gives enterprises greater capabilities to handle their own affairs. After paying various kinds of taxes according to the regulations, enterprises will have a considerable amount of profit at their disposal. They then can make overall plans for technical renovation, improve their collective welfare services and properly handle their economic benefits and those of their staff members and workers, thus further arousing the enthusiasm of staff members and workers to create more wealth for the state.



This reform is bound to increase the economic responsibilities of enterprises and their workers and staff members. It will certainly spur large numbers of enterprises workers and staff members to focus their attention on their work, to institute and improve their responsibility system and to improve their management and operations. Also, this reform certainly will enhance all workers' and staff members' sense of responsibility as masters of the country so they will work hard to achieve better economic results.

Through this reform, enterprises' financial obligation to the state will be more clearly defined; that is, they will pay taxes according to regulations. This will make it possible to reduce various quarters' unnecessary administrative interference with enterprises, to break the bonds of different departments and regions and to readjust the structure of enterprises according to economic needs. Thus enterprises, under the guidance of state plan, will proceed from reality, organize their production according to economic laws and social needs, develop their vertical and horizontal economic relations and enhance the social character of their production.

After substituting taxes for profits delivered to the state, state enterprises will contribute to state accumulation funds mainly in the form of tax payments. Will this change the nature of such enterprises as those under ownership by the whole people? No, the state, the enterprises' means of production and their newly added fixed assets will still be owned by the state, their production plans will remain under state control and the distribution of income in the enterprises will be regulated by the state plan and policies. The only difference is that the enterprises will pay taxes to the state instead of delivering their profits to it. The change in the way the state goes about accumulating funds does not constitute a change in the ownership of the enterprises.

Will this lead to a dispersion of financial resources and affect the construction of the state's key project? We naturally must pay attention to this question. An important principle guiding the substitution of taxes for profits delivered to the state is that the interest of the state, the enterprise and the worker are to be handled correctly and that the state will obtain the greater part of the profits, the enterprise will obtain a smaller part and the worker will obtain an even smaller portion in order to ensure the state's steady revenues. As long as we implement this principle in designing tax categories and rates, not only will financial resources not be dispersed on this account but it will be possible to increase state revenues and accumulation funds steadily and gradually and to ensure the funds needed for the state's key projects. By levying taxes on enterprises, it will also be possible to supervise effectively the enterprises' economic activities. This will play an important role in overcoming serious and longstanding wastefulness on the part of enterprises and in checking every form of tax evasion. Substituting taxes for profits is a positive measure that is conducive both to the acquisition and accumulation of financial resources by the state and to the increase of the enterprises' income.

When enterprises have more funds at their disposal, will they engage in blind, overlapping construction? There is indeed blind, overlapping construction going on in some localities. However, this is not necessarily related to restructuring of the economic system and the substitution of taxes for profits delivered to the state. The key to solving this problem once and for all lies in doing a good job in planning management and striking an overall balance, strengthening macroscopic guidance and control over the way enterprises use their own funds, stepping up the work of economic information and forecasting, and using economic levers and bringing their roles into full play. Only thus will it really be possible to make enterprises use their funds for technical transformation, updating equipment and developing new products as well as for those construction projects with better economic results that are needed urgently by the state.



Because of irrationalities existing in the economic structure and the price system, there is a great disparity between enterprises' profit levels -- some enterprises are in difficult situations while others are in much more comfortable ones. This state of affairs will be improved step by step along with the reform of the economic structure, the rational readjustment of the price system and the improvement of the managerial levels of enterprises. In view of this real situation, the substitution of taxes for profits delivered to the state must be carried out systematically according to different individual conditions and the guidelines laid down by the Fifth Session of the Fifth NPC. The first step may provide for both taxation and profit-sharing in large and medium-sized state enterprises, that is to say, a certain proportion of an enterprise's profit is paid to the state as income tax, while the remainder is divided appropriately and in different forms between the state and the enterprise. As for enterprises whose after-tax profit level is higher than that prescribed by the state, such methods as levying a regulating tax, progressively increasing contracted responsibilities [di zeng bao gan 6677 1073 0545 1626], quota contract responsibility [dong e bao gan 1353 7345 0545 1626] and retaining all profits [quan e liu cheng 0356 7345 3966 2052] may be applied to them in order to readjust the relationship between the income of the state and that of the enterprise. As for those enterprises whose after-tax profit level is lower than that prescribed by the state, their income tax may be reduced. As for enterprises which suffer losses because of the policy, they may continue to use the method of being responsible for their losses or sharing such losses with the state. As for small enterprises -- such as small industries, catering and service trades, repairing trades and basic-level retail stores -- it is necessary actively to adopt, according to state policy, such diversified forms of operation for them as contracting or leasing them to collectives or to workers and staff members as individuals, with the state collecting taxes and the enterprise paying for the use of state funds and assuming sole responsibility for its own profit or loss.

To sum up, the substitution of taxes on state enterprises for profits delivered to the state is conducive to strengthening and improving the enterprises' economic responsibility system, arousing the enthusiasm of enterprises and their workers and staff members, promoting technical transformation, increasing production by practicing economy and invigorating the economy. It is conducive to implementing to the letter the principle that the state will obtain the greater part of the profits, the enterprise will obtain a smaller part and the individual worker will obtain an even smaller portion. It is conducive to rewarding those who work hard and punishing those who are lazy, and to spurring enterprises to improve their management, operation and economic results. The method of substituting taxes for profits delivered to the state is simple and easy to use, and should be practiced vigorously. When the first step in the reform of substituting taxes for profits is achieved and the price system enterprises shall deliver profits to the state in the form of tax payments. By so doing, we will be making preparations for the institution of a graded financial system under which revenues are classified according to different categories of taxes [yi shui zhong hua fen cai zheng shou ru di fen ji cai zheng ti zhi 0110 4451 4459 0439 0433 6299 2398 2392 0354 4104 0433 4787 6299 2398 7555 0455] and creating conditions for a rational division of work between the government and the enterprise. Then it will be possible for the enterprises gradually to become relatively independent economic entities with decisionmaking power, and for the state to run the economy by using economic means more often.

The substitution of taxes for profits delivered to the state should keep abreast with the reforms in other economic sectors.

In substituting taxes for profits delivered to the state, we must: 1) quicken the pace: 2) proceed from reality, deal with each enterprise according to its individual conditions and not demand uniformity, and 3) sum up experience and proceed in groups and in an orderly way, step by step, and by stages; we must not hesitate or wait, nor should we rush headlong into mass action. In a word, we should substitute taxes for profits in the spirit of carrying out reforms in an all-round systematic, resolute, orderly and well-guided manner. We should do what is easier and then what is more difficult, act according to local conditions, and achieve all this by adopting various forms. We should grope our way to progress while doing so, make constant efforts to study new situations and solve new problems, and strive to quicken the pace of reform and do a better job in achieving the desired results.

#### PRC ENTERPRISE READJUSTMENT ACHIEVES SUCCESS

HK260152 Beijing CHINA DAILY in English 26 Feb 83 p 1

[By staff reporter Liu Dizhong]

[Text] Readjustment in China's first 10,883 state-owned industrial enterprises is expected to be completed in the first half of this year, according to Li Jisen, deputy head of the Enterprise Management Bureau under the State Economic Commission.

In an exclusive interview yesterday, Li told CHINA DAILY that the readjustment in present enterprises which began in 1982 had achieved remarkable success. "By the first quarter of this year, the number of enterprises that will complete readjustment will reach 3,665, including 485 major enterprises. The work will be done more quickly and effectively in the next few months as we have gained a lot of experience," he said.

According to Li, an enterprise can be said to be well readjusted only when a clearly defined responsibility system has been established and its operation and management have distinctly improved; when its labour discipline has been strengthened; when its financial rules and regulations have been greatly improved; when production has been effectively organized and the long-standing problem of overstaffing has been resolved; when a competent leading body has been established. Li said all the readjusted enterprises had been inspected one by one and approved by joint work teams from the relevant departments at a higher level.

The readjustment aims at boosting economic results, Li said. For instance, the total output value of Shanghai's 43 major enterprises which have completed readjustment was up to 5.08 billion yuan from January to November in 1982, an increase of 3.1 percent over the same 1981 period. As a result, the revenue they handed over to the state totalled 1.83 billion yuan in 1982, an increase of 5.2 percent over 1981.

He said leading bodies of the enterprises had become more competent after the readjustment. Surveys among 5,894 readjusted enterprises throughout the country showed that the average number of leaders in an enterprise had fallen from 8.6 to 6.5 while their average age had dropped to 47.9 from 51.2. Those above high school level were 58.6 percent of the total up from 36.9 percent.

Readjustment had resulted in a staff reduction of more than 73,000 in 148 enterprises of ten provinces, accounting for 7.39 percent of the total staff. "This figure is not enough," he said. "The total number of staff should be reduced by at least ten percent as most enterprises are considerably staffed." He said that some of the displaced workers and staff would be sent on training courses and others would be employed by labour companies run by their units, providing services inside and outside the enterprises.

Within three years from 1983, all China's 42,000 state-run industrial enterprises would complete their readjustment, Li said, adding that plans for a second group of enterprises to be readjusted would be worked out next month.

Twenty percent of the total enterprises are due to be readjusted this year, two-thirds of the remainder in 1984 and the rest in 1985. As to the 2,363 major enterprises, Li said, the readjustment would be quicker and should be finished in two years so as to let them take the lead in raising operational, managerial and technical efficiency and improving economic results. "It is a difficult task but must be carried out in time, as nearly 30 percent of the state-owned industrial enterprises operated at a loss of more than four billion yuan in 1982," he said.

#### ELECTRONICS INDUSTRY BEING TRANSFORMED

##### Minister Talks on Reform

OW010103 Beijing XINHUA Domestic Service in Chinese 1254 GMT 26 Feb 83

[By reporter Li Niangui]

[Text] Beijing, 26 Feb (XINHUA) -- In order to promote scientific research and accelerate the development of China's electronics industry, the Ministry of Electronics Industry has decided to adopt four measures to reform the management of scientific research. This decision was announced by Zhang Ting, minister of electronics industry, at the national meeting of directors of electronics industry departments and bureaus today. The four reform measures are:

To set up technical development centers of various trades -- production and scientific research forces of various trades within the electronics industry, such as communications-radio-television, electronic computer, electric component and electronic device trades, will be organized to design and develop new products and accelerate their upgrading. Technical development centers may be set up in specialized research institutes or in plants with fairly strong technical forces.

To implement the system of contracted responsibilities for scientific research projects -- research institutes undertaking major construction engineering projects or tasks of developing major products may experiment on implementing the system of contracted responsibilities for several selected research projects. The system of economic and technical responsibility should combine responsibilities, powers and benefits. Chiefs of some contracting project research groups may freely select researchers for their groups.

To implement the system of contracted responsibilities -- research institutes which have not implemented the system of contracted responsibility for scientific research projects may implement the system for scientific research and development tasks assigned by the state. They should keep cost accounting for scientific research projects. They may collect depreciation for equipment and instruments and royalties for their products or technical achievements.

To set up awards for scientific and technical achievements -- research institutes may set aside a portion of income from scientific research and use it as bonuses to reward technical personnel who have completed scientific research tasks with good results.

##### Projects Become Operational

OW271048 Beijing XINHUA Domestic Service in Chinese 1233 GMT 26 Feb 83

[Text] Beijing, 26 Feb (XINHUA) -- A national meeting of department and bureau directors of the electronics industry is being held in Beijing.



A XINHUA reporter has learned from the meeting that eight large and medium-sized capital construction projects imported by China's electronics industry in recent years were completed and put to operation in 1982. These projects have provided our electronics industry with advanced technological equipment and strengthened the industry's material and technological foundation. They play an important role in promoting the development of the electronics industry.

The eight projects are: The color kinescope production line at the Xianyang Color Kinescope Plant in Shaanxi; the color television set production lines at the Shanghai No 1 Television Plant; the Tianjin Radio Plant; the Beijing Television Plant; the printed circuit plate production line at the Shanghai No 20 Radio Plant; the chromium plate production line at the Shaoguang Electrical Engineering Plant in Changsha; the gas eliminating agent [xiao qi ji 3194 3049 0495] production line at the Huadong Electronic Tube Plant in Nanjing; and the black and white kinescope production line at the Tianjin Kinescope Plant. Most of them proved successful during their first trial production.

The chromium plate production line imported from Switzerland by the Shaoguang Electrical Engineering Plant has advanced equipment with complete testing devices. The completion of this production line is of great significance to China's development of ultralarge integrated circuits. The complete color kinescope production line imported from Japan by the Xianyang Color Kinescope Plant is designed to produce 960,000 color kinescopes annually. The 120,000 color kinescopes produced since the production line became operational proved to be as advanced in quality as foreign products.

#### More Imports Slated

OW030140 Beijing XINHUA in English 0708 GMT 2 Mar 83

[Text] Beijing, March 2 (XINHUA) -- China expects to import more technical know-how and sophisticated equipment to update its electronic industry, a priority project in the Sixth Five-Year Plan period.

A spokesman for the Ministry of Electronics Industry disclosed that more than 60 imported projects have been planned for the next three years, mostly involving technical know-how, testing methodology and key equipment, rather than complete plants.

The spokesman said that the importation will help strengthen the means of testing, raise the production capacity of existing elements and devices with greater reliability and universality of use, the production capacity of aeronautical electronic equipment and electronic computers and peripheral equipment. It will also aid construction of export-oriented factories and workshops and the production of electronic products in greater demand in the market.

In the next three years, the spokesman said, work will concentrate on technical transformation of existing enterprises, and advanced technology and equipment will be imported to upgrade the technical level of electronic elements, integrated circuits, electronic computers, radio and television and other electronic products for common use.

Over the past two years and more, the China Electronics Import and Export Corporation has signed import contracts totalling nearly 400 million U.S. dollars.



The imported projects include: the Shaanxi Xianyang Kinescope Plant, with an annual production capacity of 960,000 color TV tubes; a linear-type integrated circuit assembly line with an annual capacity of 26 million circuits; and a dozen production lines producing magnetic materials for color TV sets. These projects, some have already been completed, will help China to meet the domestic need for color TV sets, the spokesman said.

In Beijing, Shanghai and Tianjin and other cities, more than 1,000 pieces of equipment and nearly 100 production lines have been imported over the past few years, through co-production or compensation trade and other trade forms. The money involved 8 million U.S. dollars, according to the Ministry of Electronics Industry.

#### PRC TO MANUFACTURE 200,000 VEHICLES IN 1983

OW252112 Beijing XINHUA in English 1516 GMT 25 Feb 83

[Text] Beijing, February 25 (XINHUA) -- China will manufacture 200,000 motor vehicles and develop 71 new models of vehicles this year to meet the growing demand. Li Gang, the general manager of the China Automotive Industry Corporation, made the announcement at a meeting in Beijing of the company's board of directors.

The situation is favorable for China's automotive industry, Li said, with a big domestic market and growing demand for motor vehicles in China. He predicted that the domestic demand will come to 250,000 motor vehicles this year. He said the company will make great efforts to ensure the production of such key products as tourist buses, "Red Flag" limousines, heavy duty trucks and automobiles for economic aid to foreign countries and for export, and coal transport vehicles. At the same time the company will transform 100,000 outdated and energy inefficient motor vehicles.

In the national restructuring drive, China's motor vehicle manufacturers have been reduced from 73 to 39. China has 196 motor vehicle refitting factories and more than 2,000 motor vehicle part and accessory factories. China's automotive industry has an annual production capacity of 250,000 motor vehicles.

With a labor force of 720,000 people, the automotive industry produces 38 kinds of regular motor vehicles plus 100 kinds of special ones. China has in the past 30 years manufactured 2 million motor vehicles. Li Gang said China produced 196,000 motor vehicles last year, 11.4 percent above the year before, and the industrial output value reached 2.83 billion yuan, 10 percent above 1981.

Since last July, the quality of products has been improved remarkably by introducing new technology and replacing cylinder heads, intake and exhaust pipes, carburetors and eccentric shafts of outdated motor vehicles, he said. Since then fuel consumption of the "Jiefang" truck has been reduced by 21 percent calculated in terms of ton per 100 kilometers, and that of the "Yuejin" truck by 16.6 percent.

China this year, Li Gang said, will export a number of motor vehicles and vehicle parts to Africa, the Middle East and Southeast Asia while importing some automobiles. Last year, China exported a number of trucks, cross-country trucks and motorcycles and their parts with a total value of more than 18 million U.S. dollars.

FUJIAN'S XIANG NAN VISITS YOUTH REFORM CENTER

OW011415 Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 28 Feb 83

[Text] On the eve of the second national All-People Civility and Courtesy Month, Xiang Nan, first secretary of the Fujian Provincial CPC Committee, who was accompanied by responsible persons of the provincial Public Security Department, the provincial Bureau for Reform Through Labor and the provincial CYL Committee, visited the provincial juvenile delinquents reform center where over 300 delinquent youths are undergoing reform through labor.

After arriving at the reform center Comrade Xiang Nan made detailed inquiries about the juvenile delinquents' living, studying and working conditions and visited their living quarters and classrooms as well as the (Xinguang) workshop recently set up by the reform center.

After praising the center's good work, Xiang Nan said to the delinquent youths: Beginning tomorrow, the second All-People Civility and Courtesy Month activities will unfold across our province. You should also take an active part in these activities, mend your ways and be civilized people like everyone else. You must resolutely correct your faults. First, you must admit your guilt. Second, you must study hard. Third, you must work hard. You must reform yourselves through study and work. If you want others to respect you, first you must respect yourselves and believe in your own future.

Comrade Xiang Nan also discussed with the reform center staff ways to further improve their reform work. He suggested that everyone study some educational materials and psychology and make an effort to understand the peculiar psychology of delinquent youths, thereby improving their ability to do an even better job.

He further proposed that the provincial juvenile delinquents reform center effectively promote cultural studies among the delinquent youths and encourage them to engage in all sorts of productive labor. He also suggested that the center organize visits to the outside world for delinquent youths with good records with a view toward raising their ideological consciousness, cultural knowledge and technical skills so that when they leave the center they can become useful persons.

FUZHOU PLA COMMANDER AT MOBILIZATION MEETING

OW020011 Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 28 Feb 83

[Excerpts] The Fuzhou PLA units held a mobilization meeting on the afternoon of 28 February to deepen the movement of learning from Lei Feng and promote activities concerning the second All-People Civility and Courtesy Month.

Gao Punan, deputy political commissar of the Fuzhou PLA units, gave a mobilization talk on deepening the activities of learning from Lei Feng and the All-People Civility and Courtesy Month to win new victories in socialist spiritual civilization.

Yang Chengwu, Fu Kueiqing and other leading comrades attended today's meeting. Comrade Yang Chengwu spoke. Over 2,300 people attended today's meeting, including responsible persons of departments concerned and cadres and fighters of PLA units stationed in Fuzhou.

JIANGSU PREFECTURE AGRICULTURAL OUTPUT REPORT

HK021056 Beijing RENMIN RIBAO in Chinese 24 Feb 83 p 5

[Article by Liu Xigeng [0491 6932 1649]: "How Agricultural Output Value Can Be Doubled as Seen From the Rural Areas in Xuzhou Prefecture" -- capitalized passages published in boldface]

[Text] Early in November last year, I conducted an investigation for 10 days or so in the rural areas of Xuzhou Prefecture, Jiangsu Province, to find a solution to the problem of whether "agricultural output value can be doubled" and "how to double it." The eight counties in Xuzhou Prefecture (this year, the prefectural administrative system has been abolished; as a result, six counties have been put under the administration of Xuzhou City and the other two counties are being administered by Lianyungang City) were low-yielding and poor areas known to the whole country. Since the 3d Plenary Session of the 11th CPC Central Committee, the prefecture has reaped rich harvests for many years running and some main targets have or have nearly been doubled.

**It Is Possible To Continue To Double Agricultural Output Value**

The former prefectural CPC Committee and Administrative Office have worked out a tentative plan: Agricultural output value can be doubled by 1990 and can be redoubled in the 10 years after 1990. According to their analysis, the following are the bases for the possibility of continuously doubling agricultural output value:

1. According to the plan, the increase rate of total agricultural output value is higher than the average increase rate of 5.1 percent of the period since the founding of New China. It is lower than the 8.8 percent rate of the 1970's and even lower than the 11.5 percent rate of the period since the third plenary session.
2. The efforts to double agricultural output value are based on the advantage of grain production. Last year, total output of grain in Xuzhou Prefecture reached 7.7 billion jin and per capita output of grain was 1,014 jin. All this ranked first throughout the province. However, the prefecture has great potentialities for increasing grain output. The average per-mu production of grain throughout the prefecture is 850 jin and the per-mu output of 5 million mu of land has reached only about 400 jin. After exerting great efforts, it is not difficult to raise their per-mu output by 2 billion jin.
3. The prefecture has the basic conditions and economic resources for doubling agricultural output value. The prefecture has 2.4 million mu of uncultivated land, in addition to 12 million mu of cultivated land. Apart from that, it has 1.4 million mu of water areas that can be utilized and more than 200,000 mu of beaches and shoals. The prefecture is fairly strong in local industries. There are various kinds of mines which can be run by communes and production brigades. There are 28 coal mines run by communes and production brigades, which annually produce 7 million tons of coal. Some communes and production brigades also run phosphorous and potash fertilizer plants. Apart from that, agricultural capital construction has been carried out for more than 30 years. The state, locality and collective have invested 2.8 billion yuan in irrigation works and an irrigation system which can channel water to irrigate the fields when drought occurs and drain off water when waterlogging occurs. Agricultural equipment and facilities have been considerably increased in the prefecture.

4. Sources have been tapped for various trades and services. Breeding undertakings: There is a great mass fervor for raising chickens, rabbits, martens, oxen and fish. Oxen in Xuzhou are well known in history. There are vast sparsely populated mountain areas in most counties. It is not difficult to raise 100,000 milk cows and beef cattle. Planting undertakings: Apart from the increase of production and value as a result of the readjustment of the planting of crops, 2.4 million mu of uncultivated land can be used to plant fast-growing trees and fruit trees. Building material industry: Inexhaustible supplies of coal and limestone are available, which can be used to develop the building material industry. In addition, service, transportation, farm machinery repairing trades, building industry and so forth have also gained a dominant position.

5. Correct policies are the guarantee for quadrupling production. At present, 97 percent of the production teams of the prefecture have already implemented the production responsibility system, mainly in the form of contracted responsibilities with payment linked to output, and have thus managed to mobilize the masses' initiative in production. This has an impact on as well as an attraction to those communes and brigades which have not yet adopted the system of contracted responsibility with payment linked to output. The masses say: "To quadruple production we must depend on the overall responsibility system." Now, the leading cadres of those counties and communes which have not yet adopted the overall responsibility system finally show that they will let the broad mass of commune members choose the form of production responsibility system according to their own will.

#### Measures For and Problems in Realizing the Goal of Quadrupling Production

Having discussed with us in detail the measures and problems for realizing the goal of quadrupling production, the comrades of Xuzhou Prefecture and its counties unanimously held that the goal of quadrupling production could not possibly be fulfilled by impractical measures and empty promises; and, with poor foresight, one would overlook the problems which are likely to emerge and would thus suffer from blindness. They proposed the following points:

TO REALIZE THE GOAL OF QUADRUPLING AGRICULTURAL PRODUCTION REQUIRES FIRST OF ALL A LEADING BODY TO EXERCISE LEADERSHIP IN THE EFFORTS TO QUADRUPLING PRODUCTION. At present, the vast number of commune members are in high spirits and full of confidence in quadrupling production. Every household has its own small plan to quadruple production and get rich. However, cadres of certain counties and communes have failed to free their minds of misgivings and, being restricted by convention, suffer greatly from spiritual depression. In fact, there are many typical cases. And these cadres will be full of confidence and will find a solution as soon as they go to the grassroots level to have a look at reality. So far, some county and commune leading comrades still fail to attach importance to the exemplary role of these typical cases and make use of them in leading the peasants to quadruple production and get rich.

THE POLICIES LAID DOWN BY THE CPC CENTRAL AUTHORITIES SHOULD BE CORRECTLY IMPLEMENTED AND NO MORE MISTAKE SHOULD BE MADE. The peasants have two demands with respect to the policies: the state's orientation to benefit the peasants should remain unchanged; and everything must be done in accordance with contracts and promises must be kept. Comrades of the prefecture and counties said that there is hope for quadrupling agricultural production as long as the authorities can uphold the current policies and the grassroots levels can avoid distorting them and repeating mistakes.



THE PRODUCTION CONDITIONS SHOULD BE FURTHER IMPROVED AND EQUIPMENT AND MATERIAL INVESTMENT SHOULD BE INCREASED. Like industry, agriculture is also faced with the problem of investment and output. The reason why Xuzhou Prefecture succeeded in doubling agricultural production was because, apart from the effects of the policies, the production conditions and equipment were improved, and material investment was increased. We must constantly improve our production conditions in the future. First, we must depend on ourselves in promoting farmland capital construction, with the focal point laid on the building of conveyance systems. Second, we must ensure the supply of synthetic fertilizer and diesel fuel. The masses urge the leading departments concerned to solve these problems, declaring that they would accept floating prices according to the quality of products.

THE SCIENTIFIC AND TECHNICAL LEVEL MUST BE ENHANCED. At present, we lack qualified agricultural scientific and technical personnel -- the number of agricultural scientific and technical personnel throughout the prefecture totals 1,316 people; in other words, this is only 1 out of every 5,547 people. At the same time, there are more than 200,000 high school graduates residing in the prefecture. If these graduates are properly trained, they can become a considerable force. And by changing certain secondary schools into agricultural technical schools, the lack of technical personnel will be perfectly solved.

THE WAY AND METHODS FOR QUADRUPLING PRODUCTION. In the investigation, we found that there were two principal ways to plan out the quadrupling of production. The first is to start from the local planning of a county. First, thoroughly investigate the resources of a county, and then draw up a list of projects and work out a plan for quadrupling production, in accordance with the agricultural development and the state plan, in light of the present situation and the future development, with the focus on the next 5 years in light of the factors concerning energy (coal, grass and firewood), raw materials and techniques, and with the future conditions of processing, storage, transportation and the market demand taken into consideration. This is a thoughtful way which may strengthen our confidence. The second way is to first set up the quadrupling aims by calculation and then draw up various projects. Most of these projects are based on the tentative goal of quadrupling production by the year 2000, while less attention is paid to the realization of the first step -- the doubling of production. Considering the quadrupling of production merely as a tentative idea, the follower of the latter way actually does not have enough confidence. Quite a few comrades we have met are of the latter category. This problem merits attention.

#### JIANGSU'S XU JIATUN ADDRESSES CIVILITY RALLY

OW011143 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 28 Feb 83

[Excerpts] This afternoon Jiangsu Province and Nanjing City held a grand mobilization rally to launch the second All-People Civility and Courtesy Month movement in Nanjing. Han Peixin and other leading comrades of the province and city attended the rally.

Present at the rally were cadres of provincial, Nanjing City, district and county organizations; cadres and masses of provincial enterprises and establishments, universities and colleges and grassroots units of Nanjing City; and commanders and fighters of Nanjing PLA units, leading organs, academies and schools. The main site of the rally was the Nanjing Great Hall of the People, and there were 10 other rally sites in suburban districts, attended by a total of more than 10,000 people.

Wang Bingshi, Standing Committee member of the provincial party committee and first secretary of the Nanjing City party committee, presided over the rally. Xu Jiatun, first secretary of the provincial party committee, spoke at the rally. He said: [begin recording] Comrades, today the provincial party committee, the provincial government, the Nanjing City party committee and the city government have called this mobilization rally to implement the talks of comrades of the party Central Committee and the guidelines of the circular of the Propaganda Department of the party Central Committee and mobilize the cadres and masses of the whole province to launch this year's All-People Civility and Courtesy Month in a more extensive, down-to-earth and effective way. [end recording]

In order to make this year's All-People Civility and Courtesy Month movement a greater success, Comrade Xu Jiatun, in accordance with Comrade Zhao Ziyang's speech and the guidelines of the circular of the Propaganda Department of the CPC Central Committee and other units, and in light of the situation in Jiangsu Province, put forward a 10-point suggestion.

Comrade Xu Jiatun said in conclusion: [begin recording] Comrades, under the leadership of the party Central Committee and the State Council, let us get into action, launch the various activities, strive for greater achievements and win new victories in building socialist spiritual civilization. [end recording]

Comrade Wang Bingshi also spoke at the rally.

#### JIANGSU CPC COMMITTEE ISSUES DISCIPLINE CIRCULAR

OW020239 Nanjing XINHUA RIBAO in Chinese 20 Feb 83

["Text" of Jiangsu Provincial CPC Circular urging study of work report of Central Commission for Discipline Inspection]

[Text] The various prefectural, city and county party committees; party committees of the various departments under the provincial CPC Committee; party organizations of the various provincial commissions, offices, departments, bureaus, institutes, banks and associations; party committees of units directly subordinate to the provincial government; and party committees of institutions of higher learning located in Nanjing:

The text of the work report of the second plenary session of the Central Commission for Discipline Inspection "Bring About as Soon as Possible Fundamental Changes for the Better in Party Styles," which has been printed and disseminated by the central organs, was also published in the newspapers on 20 February. After an initial study of the report, leading comrades of the provincial CPC Committee have regarded it as an extremely important document for rectifying party styles, enforcing party discipline and strengthening party building in the new period. The provincial CPC Committee has decided to hold a special province-wide meeting in early March on party discipline inspection work to convey and implement the guidelines of the plenary session of the Central Commission for Discipline Inspection, study the said document and formulate specific plans according to the requirements, measures and views proposed by that document in light of our province's actual conditions. It is suggested that, prior to the meeting, the various localities, upon receiving the document from the central organs, immediately promote activities to study the document by party cadres, particularly by leading cadres at all levels, who must take the lead in studying it well, gain a thorough understanding of its guidelines and study ways to implement it.

The Jiangsu Provincial CPC Committee

18 February 1983

SHANDONG CONGRESS HEARS GOVERNMENT REPORT

SK020406 Jinan Shandong Provincial Service in Mandarin 2300 GMT 1 Mar 83

[Text] According to our reporter (Kong Dezhi), after a 3-day session, the 20th meeting of the 5th provincial People's Congress Standing Committee concluded on the afternoon of 1 March. During the meeting, participating members studied the documents concerned of the CPC Central Committee in regard to the current policy on the rural economy and heard and discussed the report given by Li Zhen, deputy governor of the province, regarding issues concerning the implementation of the current policy on the rural economy.

Zhao Lin, chairman of the provincial People's Congress Standing Committee, presided over the 1 March session and delivered a speech in which he stated: Participating members unanimously approved the report made by Deputy Governor Li Zhen on behalf of the provincial People's Government regarding suggestions for implementing the party's policy on the rural economy. In his government report, Comrade Li Zhen proposed that continuous efforts be made to do a good job in conducting structural reforms in the agricultural economy and conducting system reforms and technical renovations. Persistent efforts should be made to follow the road of developing in an all-round way the undertakings of agriculture, forestry, animal husbandry, sideline occupations and fisheries and the road of conducting agricultural, industrial and commercial production in a comprehensive way. A good job should be done in vigorously grasping grain production and developing a diversified economy, and there should be all-out efforts to achieve the overall fulfillment of the 1983 agricultural production plans so as to make a good start in creating a new situation in agricultural production. It is necessary to uphold the vital task of stabilizing or perfecting agricultural production responsibility systems and to do a good job in dealing with the relationship between unified management and signing production contracts with specific households so as to give full scope to the enthusiasm of both collectives and individuals. It is also necessary to enliven commodity circulation in order to propel progress in commercial production. In his government report, Comrade Li Zhen pointed out: The implementation of the party's policy on the rural economy involves various circles in the society. Thus, we must enhance our work in this regard, exercise unified leadership over the work and mobilize the forces of various circles to make concerted efforts to carry out the work. Leading organs and cadres at all levels should steel their action in conducting investigations and studies, respect the people's spirit to creating something new, accept new situations, sum up new experiences and solve new problems. It is also necessary to formulate relevant regulations and rules according to the central authorities' policies, the demands raised by the masses and the needs of the work. We should legalize and systematize the party's policies and implement these policies in a down-to-earth manner so as to bring about an overall flourishing in the rural economy.

At the 1 March session, participating members unanimously approved some personnel changes. Attending the session were vice chairmen of the provincial People's Congress Standing Committee, including Zhao Feng, Li Yuang, Xu Jianchun, Zhang Zhusheng, Yang Jieren, Zhu Benzhen, Zhang Fugui, Zhou Zhijun and Wang Baomin. Attending the session as observers were Zhu Qimin, deputy governor of the province and responsible persons from the provincial Higher People's Court, the provincial People's Procuratorate, the departments concerned of the provincial People's Government and from the standing committees of various city and county people's congresses.



SU YIRAN SPEAKS AT SHANDONG PLA MEETING

SK021254 Jinan Shandong Provincial Service in Mandarin 2300 GMT 1 Mar 83

[Text] The experience-exchange meeting sponsored by the provincial Military District with the participation of advanced units and individuals emerging in building a socialist spiritual civilization concluded on 1 March. Attending and speaking at the meeting were Su Yiran, secretary of the provincial CPC Committee and first political commissar of the provincial Military District; Zhao Feng, commander of the provincial Military District; and (Liu Lian), political commissar of the provincial Military District.

At the meeting, (Li Zhicheng), deputy political commissar of the provincial Military District, delivered a report entitled: "Along With the Direction Set Forth by the 12th CPC Congress, It Is Necessary To Upgrade to a New Level the Military District Work of Building a Socialist Spiritual Civilization."

Since the issuance of the great call by the CPC Central Committee in regard to building a socialist spiritual civilization, the party committees at all levels under the provincial Military District, together with the broad masses of commanders and fighters, have enthusiastically supported the drive and responded to it actively. They have carried out extensive activities centered on the practice of "four haves," "three attentions" and "two fear-nots." As a result, the mental outlook of cadres and fighters has undergone profound changes and their political and ideological consciousness has been greatly upgraded. The revolutionary ambition and the sense of political responsibility among cadres and fighters have been markedly enhanced, resulting in obvious progress in various fields. According to statistics, over the past 2 years, there have been 26 advanced companies, 40 advanced party branches and 62 advanced CYL branches emerging in the work to build a socialist spiritual civilization across the Military District, as well as 1,036 activists and advanced individuals emerging in the drive of learning from Lei Feng, more than 1,800 advanced CYL members and some 7,000 cadres and fighters who have been awarded or commended.

In order to further deepen the drive of "four haves," "three attentions" and "two fear-nots," the meeting put forward the following four concrete demands: 1) It is necessary to organize cadres, fighters, staff, workers and their dependants to realistically do a good job in launching the second All-People Civility and Courtesy Month activities and to whip up an upsurge in learning from the advanced, catching up with the advanced and in creating advanced deeds. 2) It is necessary to unswervingly implement the guidelines of the CPC Central Committee's drive for reforms, actively plunge in and support the drive and to be promoters in waging the drive for reforms. 3) It is necessary to do a good job in consolidating the party's style and achieve as soon as possible a fundamental turn for the better in the party's style. 4) It is necessary to arouse the broad masses of militiamen to play vanguard and model roles in building a socialist spiritual civilization.

At the meeting citations, certificates and medals were presented to 375 advanced units and individuals emerging in building a socialist spiritual civilization. Representatives also issued a letter of proposal to the broad masses of cadres, fighters, staff, workers and their dependants throughout the Military District, urging them to carry out in depth the extensive activities of "four haves," "three attentions" and "two fear-nots" and to strive to be pacesetters in building a socialist spiritual civilization.



SHANGHAI LEADERS LAUD LATE PAN HANNIAN

OW011423 Beijing XINHUA Domestic Service in Chinese 1710 GMT 28 Feb 83

[By reporter Chen Fengrong]

[Excerpts] Shanghai, 28 Feb (XINHUA) -- The Shanghai Municipal CPC Committee and the Shanghai Municipal People's Government held a forum today to commemorate Pan Hannian, a staunch Marxist, outstanding proletarian revolutionary fighter and tested fine Communist.

Pan Hannian was the former third secretary of the Shanghai Municipal CPC Committee and Shanghai vice mayor. He was arrested and jailed in 1955 as a result of the so-called hidden traitor question and later wrongly convicted to serve a sentence. He died in Changsha City, Hunan Province, on 14 April 1977 without his name having been cleared. On 23 August last year, the CPC Central Committee issued a circular exonerating Comrade Pan Hannian and restoring his reputation and party membership.

Presiding over the forum, Wang Daohan, secretary of the Shanghai Municipal CPC Committee and Shanghai mayor, said: "The best memorial to Comrade Pan Hannian is to emulate his fine moral quality and do our work even better in all fields."

Hu Lijiao, second secretary of the Shanghai Municipal CPC Committee, described Comrade Pan Hannian's revolutionary life. He said: Pan Hannian joined the CPC in 1925 and held important leading posts both inside and outside the party.

Hu Lijiao said: Cherishing the memory of Comrade Pan Hannian today, we must emulate his fine quality and work style -- his fearlessness in pursuing the party cause, his loyalty to the party and devotion to the people, his adherence to discipline, his prudent and careful attitude toward work, his responsible revolutionary spirit, his straightforwardness and personal integrity, his modesty and prudence, his flexibility without compromising principles and his ability to unite with other comrades and non-party personnel to work in full cooperation.

Comrade Yang Fang, who suffered a wrong together with Comrade Pan Hannian for 25 years before winning freedom, said: "The party Central Committee exonerated Comrade Hannian and restored his reputation. I happened to share the same experience. I was one of the principal members of the so-called Pan-Yang counterrevolutionary clique. The party Central Committee has rehabilitated me and restored my party membership and reputation. I am very grateful for the concern and care of the party Central Committee and the Shanghai Municipal CPC Committee. The line, principles and policies laid down since the party's third plenary session are very wise and great!" In their speeches, Wu Qiang, Yu Ling, Xu Zhucheng, Ding Shie, Tong Zhiling, Liu Renshou, Li Qiong, Chen Xiuliang and Qian Ming pledged to emulate Comrade Pan Hannian's fine quality in dedicating his entire life to the cause of communism.

Also present at the forum were more than 80 people including leading comrades of Shanghai municipal party and government organs, Pan Hannian's friends and some of the comrades implicated with him: Zhao Xingzhi, Wang Yaoshan, Zhang Chengzong, Yang Di, Zhou Ke, Chen Qiwu, Hong Ze, Ma Feihai, Ai Ding, Shu Wen, Tan Jiazhen, Lin Tianlie, Dong Yinchu, Yang Guangchi, Lu Zhiren, Shen Nianzhi, Zhong Wangyang, Qiu Huiying, Yu Zhenfei, Li Yuru, Qiao Qi, Wang Danfeng and Mei Dajun.

SHANGHAI OUTLINES CIVILITY, COURTESY MONTH WORK

OW010349 Shanghai City Service in Mandarin 1100 GMT 27 Feb 83

[Excerpts] Recently the Propaganda Department of the Shanghai Municipal CPC Committee put forward suggestions on launching the "five stresses, four beauties and three loves" activities in a more deepgoing way in 1983. It affirmed the results achieved in "five stresses and four beauties" activities in 1982 and laid out plans for the "five stresses, four beauties and three loves" and the All-People Civility and Courtesy Month activities this year.

In the Civility and Courtesy Month movement, propaganda and education and necessary activities should be organized around five key points:

1. While carrying out reforms, it is necessary to earnestly conduct education in civility and courtesy and in improving service quality, so that workers and staff members of commercial, industrial, transportation and the service trades will improve their service attitude, upgrade service quality and increase the number of services.
2. It is necessary to learn from Lei Feng and the advanced, foster new customs and practices and perform good deeds.
3. It is necessary to carry out an intensive education in internationalism and patriotism.
4. It is necessary to further improve environmental sanitation and work in afforestation, carry out in-depth propaganda on what the city residents should know about sanitation and mobilize the masses to actively participate in tree planting.
5. It is necessary to improve public order, be civilized passengers, spectators and sightseers and not do things offending public decency and violating social morality.

Four activity days will be organized in March:

1. On 3 March, a municipal cleaning campaign will be organized. Leading cadres at all levels should take the lead in participating.
2. On 5 March, activities will be organized to continue to learn from Lei Feng and the advanced, foster new customs and practices and perform good deeds.
3. On 12 March, Arbor Day, the cadres and masses will be organized to participate in tree planting, according to plans of the municipal afforestation commission.
4. On 24 March, all trades and occupations should conduct an inspection of service quality, order and environment, with the main emphasis on service quality.

REPORT ON SHANGHAI'S BAOSHAN WATER PROJECT

OW020147 Shanghai City Service in Mandarin 2300 GMT 28 Feb 83

[Text] Construction of the Baoshan Iron and Steel Complex Chang Jiang water diversion project, a key ancillary project to ensure that the first stage of the Baoshan Complex begins production on schedule, was officially started recently.

The water diversion project is to build a reservoir, using dikes erected around a stretch of land outside the present levels of the Chang Jiang, to supply water to the Baoshan Complex for production use. The reservoir will cover an area of 2,400 mu and will have a storage capacity of more than 9 million cubic meters.

The project calls for widening and strengthening more than 2,000 meters of existing river embankments and building more than 3,000 meters of new earth and stone dikes. The Baoshan project headquarters plans to complete the stone work of the dikes this year.

The more than 250 workers and staff members of the (Shijiuye) Special Construction Company, which is undertaking the construction work, are determined to display a spirit of hard struggle and channel water from the Chang Jiang to the Baoshan Complex in 2 and 1/2 years to ensure that the first stage of the Baoshan Complex begins regular operations in 1985. In the past more than 10 days, they have hauled nearly 10,000 tons of stone and laid more than 100 meters of dikes.

#### ZHEJIANG REGULATIONS ON CONSTRUCTION FUNDS

OW240615 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 19 Feb 83

[Text] After taking Zhejiang's actual condition into consideration, the provincial People's Government recently formulated a supplement to the State Council's regulations on collecting construction funds for key state energy and transportation projects. The supplementary regulations require all subscribers to take the overall situation into consideration, spontaneously and promptly file applications with local tax authorities and pay into the funds in good time.

To speed up collection work, the province has set up a leading group for collecting construction funds for key state energy and transportation projects and for promoting the sale of treasury bonds. It has also urged all localities to set up similar corresponding units. All departments concerned at the provincial level should vigorously support this work. All subscribers should regard it an honorable duty to the state to pay into the construction funds for key state energy and transportation projects. Tax authorities at all levels should carry out their work according to the scope and items prescribed by the regulations with regard to collecting funds. They should not expand or narrow the scope of collecting funds or increase or reduce the number of items involved. They should not unilaterally change the proportion of funds to be collected.

Under the leadership of party committees and governments at all levels, we should vigorously carry out this work to ensure the fulfillment and overfulfillment of this year's task in collecting funds.

SICHUAN TOWNSHIP PROMOTES DIVISION OF WORK

HK030238 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 2 Mar 83

[Text] According to SICHUAN RIBAO, in the course of structural reform, Banzhuyuan Township in Xindu Country has persistently implemented clear division of work between party, government and enterprises, with each responsible for its own duties. The township CPC Committee concentrates effort on tackling major matters and looking after party affairs. As a result party building has been strengthened, the work prestige of the government has been enhanced, and the agricultural, industrial and commercial economy has been enlivened.

Having rid itself of routine work, the township party committee has strengthened party building and grasped all-round rectification centered on correcting work style. On this basis, the township has set up a system of linking party members to households. Every party member is linked to two or three households, according to the circumstances. He publicizes party policies to them, finds out the state of the masses' thinking and helps them to enhance awareness and solve difficulties. The party members strive to set examples for the masses in building the two civilizations. They do not indiscriminately cut down trees, occupy farmland, have more children than allowed, seize collective property, fail to pay state taxes, engage in corruption and embezzlement, or fall behind with their party dues. At the end of last year, 80 of the 437 party members in the township were rated outstanding, while 54 of the 59 who originally were not up to the mark have made progress in varying degrees as a result of criticism, education and patient help.

Under the leadership and influence of the party members the building of the two civilizations in the township has made great progress. Apart from all-round growth in agriculture, sideline production and industry, 3 civilized villages, 22 civilized production teams and 1,601 civilized households have also emerged.



NEW HEILONGJIANG CPC STANDING COMMITTEE MEETS

SK021017 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 27 Feb 83

[Text] The Standing Committee of the provincial party committee held a plenary session recently. The session noted that in the future the Standing Committee should persist in the correct guiding ideology, correct work principles and correct work style, establish normal work order and carry out corresponding reforms in some systems, regulations and methods of leadership to gear them to the changed new situation.

The session was the first since the new leading body of the provincial party committee was organized. Through discussions the session held: It is necessary to show unity with the CPC Central Committee politically and follow successfully its directives and plans. When implementing the directives and plans, efforts should be made to proceed from reality, seek truth from facts and avoid automatic copying and transmission and indiscriminate uniformity. Organizationally, it is essential to exercise collective leadership, with labor divided and each person assigned a responsibility. When decisions are made on important issues, efforts should be made to resolutely safeguard them and carry them out. Mistakes should be corrected whenever discovered. We should welcome and receive the supervision of the masses of cadres and people who are to point out our shortcomings and deficiencies whenever they are found. We should protect the Standing Committee's tradition of solidarity and militancy as we do our own eyes. We should pay close attention to enabling those who serve as Standing Committee members and are better educated, professionally competent, experienced in work and in the prime of life to develop their specialities, so that a new situation can be created in the Standing Committee's work. In our efforts to effect the cooperation between new cadres and old and to replace the old with the new, we should earnestly learn from the good character, traditions and work style of the veteran cadres who have retired. Veteran cadres should concentrate their efforts on training successors and on passing on their experiences, giving help and setting an example. They should assist the provincial party committee in making major policies by offering suggestions or serving as advisers. They should be treated equally politically and be given preferential treatment in their daily life. They should, as stipulated, attend Standing Committee meetings as non-voting members. And they should be invited to participate in major political activities and should have the right to decide for themselves [words indistinct].

The work of the People's Government should be attended to comprehensively by its leading party group. Matters concerning the line, principles and policies and major work decisions and plans should be submitted to Standing Committee meetings for discussions. The government's leading party group is to decide on ordinary administrative and technical work. Secretaries, generally, are not to speak at meetings on professional work. The number of Standing Committee meetings should be reduced while their quality is improved.

The Standing Committee plenary session expressed that with the concerted efforts, wisdom and cooperation of the new and old cadres in and outside the Standing Committee, the Standing Committee can certainly shoulder the heavy tasks entrusted by the party and the people and make due contributions to creating a new situation in the four modernizations.

QIANG XIAOCHU JOINS JILIN CIVILITY ACTIVITIES

SK010325 Changchun Jilin Provincial Service in Mandarin 1030 GMT 28 Feb 83

[Excerpts] Accompanied by the bracing spring breeze, the second All-People Civility Month campaign has begun in the province. Leading comrades of the provincial CPC Committee, the provincial People's Congress Standing Committee, the provincial People's Government, the provincial CPPCC Committee and of the Changchun City party and government organs have taken the lead in response to the call issued by Premier Zhao Ziyang in his radio and television speech for the 1983 All-People Civility and Courtesy Month activities. This morning they respectively went deep into department and nonstaple foodstuff store, hospitals and service centers run by educated youths, together with the broad masses of staff and workers, to render helpful service for the people and to set examples in launching the Civility and Courtesy Month campaign in a down-to-earth manner.

At 0800 leading comrades from the provincial and Changchun City organs, including Qiang Xiaochun, (Gao Ping), He Youfa, Liu Yunzhao, Miao Zhuxian, (Sun Li), (Yang Ji) and (Liu Guimin), arrived at the (Chengbeiwu) Department Store to join in sale operations. Comrade Qiang Xiaochu was warmly welcomed by counter clerks including (Du Shujuan), provincial level model worker, on the first floor of the store. After hearing the briefing given by the staff on the prices and categories of commodities, he began to enthusiastically wait on customers. During his service activities, Comrade Qiang Xiaochu also inquired about the sale and service situation of the store.

The broad masses of staff and workers in the (Chengbeiwu) Department Store were greatly inspired by the concern shown by leading personnel and by the trust of the people. We are convinced that the store will certainly be able to score new achievements again in rendering service for the people during the second Civility Month campaign.

JILIN MOVES TO ENHANCE SINO-KOREAN FRIENDSHIP

SK021250 Changchun Jilin Provincial Service in Mandarin 2200 GMT 1 Mar 83

[Text] Recently the provincial CPC Committee issued a circular urging the province to further strengthen friendship with Korean border areas. In order to strengthen friendship and unity between the peoples in border areas of the two countries, the circular called on all cities, prefectures and autonomous prefectures across the province and especially party organizations of all counties, cities, communes and brigades along the Sino-Korean border areas to attach importance to strengthening reeducation in Sino-Korean friendship and to conducting education in patriotism and proletarian internationalism.

While [words indistinct], priority should be given to taking the situation of Sino-Korean friendship as a whole into consideration. Do not do or say things that harm Sino-Korean friendship. Further efforts should be made to enhance the economic, cultural, scientific and technical cooperation and interchange between the border areas of the two countries and to conscientiously study the favorable experience of Korea in building the material and spiritual civilizations. Steady progress should be made in developing the barter trade in border areas.

LIAONING RIBAO STRESSES PLANNED PARENTHOOD

SK030927 Shenyang LIAONING RIBAO in Chinese 9 Feb 83 p 1

[Text] Comrade Zhang Zhiyuan, deputy governor, who is in charge of our province's planned parenthood work, was recently interviewed by our reporter. He adduced the development and changes of our province's population, cultivated land and grain amount over the past 30 years and more and the trend of development until the end of this century to explain that to practice planned parenthood for population growth control is very necessary and very pressing.

Zhang Zhiyuan said: The population of our province has grown very rapidly since the founding of the PRC. In 1949 the population was 18.3 million. By 1982, the year of the third census, it had increased to 35.72 million, 95.1 percent greater than and almost double the 1949 figure. The average annual increase was as high as 21 per thousand.

In 1949 our province had 71.09 million mu of cultivated land. In 1981 it was down to 55,639,000 mu -- 15,451,000 mu less than in 1949. Per capita cultivated land declined from 3.88 mu in 1949 to 1.56 mu now, 2.32 mu less.

Because of the great population increase and sustained decrease of cultivated land, the per capita grain amount was unable to increase rapidly. Although our grain output increased from 8.1 billion jin in 1949 to 23.2 billion jin in 1981, increasing nearly 200 percent, per capita grain amount increased from 442 jin to 656 jin, only a 48 percent increase.

Great population growth has also brought many problems to transportation, housing, supply, education and employment that cannot be solved in a short period of time. The problems in education and employment are more conspicuous; the masses have experienced them.

Because of our province's large population base figure and young age mix -- 62.2 percent of our population are people under 30 years of age who have great child-bearing potential -- a child-bearing peak has been reached. According to the estimate of the provincial Statistical Bureau, our population can be brought under 41.5 million, our annual industrial and agricultural output value can increase 300 percent, per capita cultivated land can maintain the 1.23 mu figure and per capita grain amount can reach 860 jin by the end of this century -- basically a "comparatively well-off" situation -- if we continue to pay close attention to planned parenthood and allow each couple to have only one child. If we do not strictly control population growth, our population will exceed 50 million by the end of this century, per capita cultivated land will decline to 1 mu. If the existing cultivated land no longer decreases (which is, in fact, very unlikely), per capita grain amount will be only 720 jin and it will be very difficult to quadruple our annual industrial and agricultural output value. This means that the goal to improve the material life of our people to a "comparatively well-off" standard will be difficult to achieve.

Comrade Zhang Zhiyuan urged all cities, prefectures, districts, communes, brigades and production teams to work out accounts of their population, cultivated land, grain amount and economic and social development in line with their specific conditions so as to enhance the cadres' and people's understanding of planned parenthood and resolutely implement this basic national policy.

#### LIAONING PLANS TO BUILD 12 DEEP-WATER BERTHS

SK020423 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 1 Mar 83

[Text] According to the provincial Planning Commission, the state has decided to build 12 large deep-water berths in our province during the Sixth 5-Year Plan period. Upon completion of all these projects, the province as a whole will increase port berthing facilities by 17 percent, and the annual handling capacity will be 45 million tons, an increase of 12 million tons over the present capacity. The long-standing tense situation in the handling capacity of our province's coastal ports will be eased. Construction of Yingkou Bayuquan Port began last year and it is scheduled to be put in commission by 1986. Construction of the Dalian (Heshang Dao) coal shipping port will be started next year. After completion of these two coal shipping ports, some 8 million tons of coal shipped from the Qinhuangdao Port will be handled annually, which is equivalent to the present annual total coal consumption of the Anshan Iron and Steel Company.



In addition to coal shipping ports, construction of other berths for the province's coastal ports is also making headway. This January the first phase of construction of Dalian (Shuanglujiao) Port was completed and put into operation 5 1/2 months ahead of schedule. Preparations for construction of two deep-water berths especially for grain handling have been completed. Construction will be started in the second half of this year, and the berths will be completed and put in commission by 1986. Moreover, the provincial government has decided to build a new Dandong Port with an annual handling capacity of 1 million tons in Donggou County. Feasibility studies are now being conducted.

#### LIAONING HOLDS ENTERPRISE CONSOLIDATION MEETING

SK011316 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 28 Feb 83

[Excerpt] From 21 to 28 February the provincial CPC Committee and government held a work conference on enterprise consolidation in Shenyang. The conference discussed how to successfully consolidate enterprises. The spirit of reform was a central subject of the conference.

Leading comrades of the provincial CPC Committee and government, including Dai Shuli, Shen Yue, Zhang Zhengde, Zhang Xincun, Chen Suzhi, Xie Huangtian, Tan Liren and Peng Xiangsong, made speeches at the conference.

The conference relayed and studied important speeches and directives made by leading comrades of the CPC Central Committee, exchanged experience with each other, made plans for 1983 industrial and communications work, financial and trade work and capital construction work and declared relevant regulations of the provincial CPC Committee and government.

Comrade Shen Yue made a summing-up speech at the conference during the closing ceremony.

The speech stressed: We should proceed from reality and strengthen leadership in order to conduct reform in a comprehensive, systematic, resolute, orderly and step-by-step manner. We should conduct pilot reforms by stages and in groups [words indistinct] never remain undecided, take a wait-and-see attitude rather than handling affairs, rush headlong into mass action or seek uniformity in doing everything.

Industrial and commercial reform should emulate the experience in agricultural reform. The principle of agricultural reform is suitable for industrial and commercial reform. However, the characteristics of industry and agriculture are different.

In line with different systems of ownership, industry should carry out the principle of a dominant planned economy supplemented by market regulation. Industry has complicated cooperative relationships. Industry is closely related to commerce, foreign trade, tax revenue, credit, commodity prices and labor wages. Industry maintains a close link with state financial resources. The industrial tax revenue of our province accounts for 95 percent of the total financial revenue. So industrial reforms should have an administrative and management system and method that are suitable for special local conditions. The reforms should concentrate on eliminating the practice of the iron rice bowl and of eating from the same big pot. This year industrial and commercial enterprises must effect a breakthrough in reform.

At present the types of reform are promoting work in urban areas by drawing upon experience gained in rural areas, promoting industrial and commercial work by drawing upon experience gained in agriculture, promoting the work of state units by drawing upon experience gained in collective units, promoting work in leading organs by drawing upon experience gained in grassroots units, and promoting work in all areas by drawing upon experience gained in key points. The key to conducting reform is to carry out various forms of economic responsibility systems centering on contracts so as to expand the decisionmaking power of enterprises.



In order to eliminate the practice of not differentiating between good and bad performance among staff members and workers, the wage system should center the reform on carrying out a floating wage system. Efforts should be made to carry out the system of contracted wages in selected areas.

#### LI DESHENG ADDRESSES LIAONING PLA OFFICE CADRES

SK020400 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 1 Mar 83

[Text] The correspondence college for office cadres of Shenyang PLA units started a new school term on the evening of 1 March in Shenyang. Some 1,400 students attended the school term opening ceremony held on 1 March.

In a speech Li Desheng, Political Bureau member of the CPC Central Committee and commander of the Shenyang PLA units, said: Running a correspondence college for office cadres is a matter of positive significance to the state, units and individuals. Paying attention to knowledge, education and science is an important task in the current reform. We may even say that this is the key to reform. It will certainly improve the knowledge of office cadres and strengthen the organs in terms of ideology, work style and professional skills.

Li Desheng encouraged the students to study hard. He said: I present three propositions to you, namely, study earnestly and in a down-to-earth fashion, be wholly absorbed in study, and keep on studying in spite of all setbacks.

Dai Suli, permanent secretary of the provincial CPC Committee, and Zhang Wu, deputy political commissar of the Shenyang PLA units, also addressed the school's opening ceremony.

#### LI DESHENG ADDRESSES NORTHEAST POWER GRID MEETING

SK030242 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 2 Mar 83

[Text] At the northeast power grid work conference, which concluded on 26 February, Li Desheng, Political Bureau member of the CPC Central Committee and chief of the leading group of the northeast power grid, pointed out: The northeastern region has had a power shortage for years. This January saw power control on several occasions and the contradictions in power supply were even more acute than before. To suit the needs of the new developing situation, the power industry must vigorously grasp reform, better study new methods that particularly suit its own situation and continue to implement contracting systems in an effort to improve economic benefits.

Comrade Li Desheng also pointed out that to end the power supply shortage in the northeast power grid, efforts must be made to speed up construction of power facilities and expand production capacity. This year the state's investment in construction of power facilities is the biggest ever allocated to the northeast power grid. This year, the northeast power grid plans to install new power generating sets totalling 950,000 KW, which is 4.5 times that of last year. It is not easy for the state to allocate such a large sum of investment to develop the power industry while it still has certain difficulties in its national economic situation. From now on, we must grasp power construction work firmly and well, make responsibility pledges, improve contracting responsibility systems at all levels and strive to fulfill construction tasks in line with state requirements.

ROC SUSPENDS DIPLOMATIC TIES WITH IVORY COAST

OW031025 Taipei CNA in English 1000 GMT 3 Mar 83

[Text] Taipei, Mar. 3 (CNA) -- The Republic of China today suspended its diplomatic ties with the Republic of Ivory Coast following the latter's recognition of Communist China Wednesday. The suspension of the diplomatic relationship with Ivory Coast was announced by the Ministry of Foreign Affairs this morning in a terse statement. The ministry declined to say whether the Chinese agricultural team with over 30 members now working in the country will be withdrawn. Following is the full text of the ministry's announcement:

"In view of the long-standing cordial friendship between the Republic of China and the Republic of Ivory Coast, the Chinese Government considers that the decision made by the Government of Ivory Coast has seriously damaged the traditional friendly relations between the two countries. The Government of the Republic of China has therefore instructed its ambassador in Abidjan to lodge a strong protest with the Government of Ivory Coast and announced that the diplomatic relations between the Republic of China and the Republic of Ivory Coast be suspended."

With the break of diplomatic ties with Ivory Coast, the ROC now maintains similar ties with 22 countries in the world. The loss of ties with Ivory Coast reduced the number of such ties with African nations to four. Up to now, the ROC still maintains official ties with four African nations -- South Africa, Swaziland, Lesotho and Malawi.

Two-way trade between the two countries is expected to continue unaffected despite the break of the diplomatic ties, local trade officials predicted. Last year, Taiwan's exports to Ivory Coast were worth U.S. dollars 36.4 million while its imports from that country were U.S. dollars 10.4 million. Taiwan's exports were mostly industrial products and its imports were agricultural and forestry products.

TEXT OF PREMIER SUN'S REPORT TO LEGISLATIVE YUAN

OW030101 Taipei CHINA POST in English 26 and 27 Feb 83 p 4-5

["Premier Sun's Oral Administrative Report, Made at First Meeting of 71st Session of Legislative Yuan on 25 February 1983" -- CHINA POST headline]

[Text] Mr Chairman and honorable members:

The 71st session of the Legislative Yuan opens today as this vigorous spring and new lunar year bring burgeoning hopes to the national horizon. I am greatly honored to report on our administrative work and would like to take this opportunity to extend my most sincere greetings to you. Let us join in wishing the nation prosperity and our fellow countrymen good health and happiness.

In your two meetings of last year, you gave full support to and your valuable opinions on the many proposed bills that the Executive Yuan sent for your deliberations. Especially during the extended session, you honorable members have had ignored hardships to hold more meetings, give comprehensive consideration to each measure and expedite legislative procedures. Your conscientious dedication and contributions to the nation deserve our great respect. I want to express my deepest gratitude on behalf of the executive branch.

To Establish a Common Faith

We faced numerous buffetings in 1982 that was marked by world turbulence and economic recession. However, under the president's sagacious leadership, our fellow countrymen have remained united and cooperative and have exerted themselves in recording ever greater achievements. The executive branch has calmly coped with the situation.

Thanks to your counsel and support, we have successfully passed many tests, overcome a number of difficulties and strengthened our confidence for the march forward. All this has combined to bear witness to the following stimulating and encouraging facts:

1. The people are united in good faith at home and abroad. Our fellow countrymen have shown their common anti-communism and patriotism and given their support to the government. Their spirit of perseverance is ubiquitous. The enthusiasm and scope of this year's New Year's flag-raising ceremony with its spontaneous attendance of 150,000 people fully displayed the nation's patriotism and the people's determination to remain united. The overseas Chinese support for the free motherland and for our anti-communist national policy has helped reverse the international adverse current and has turned back the Chinese Communist united front tactics. Overseas Chinese enthusiastically returned to the motherland to attend the October celebrations and brought about a convergence of hearts from the four seas. This great expression of the unity of the people at home and abroad is our most credible reliance in opening up a bright prospect for the country.

2. The call for the unification of China under the three principles of the people is loud and strong. It has been translated from a solemn call into a demand for concrete action. Organized since last October is a grand alliance of unification with more than 40 overseas branches. This movement accords with the will of the people and the current of events; it is becoming an irresistible tide of the times and a rallying force in the hearts of the people. It has quickened our steps and radiates a glory shining over China and all the world.

3. The anti-communist campaign of our mainland compatriots is surging high with ever greater momentum. The Chinese Communists' perverse actions have aggravated the "triple crises of belief" and promoted the concept that communism is a dimming illusion. Our mainland compatriots have despaired of communism and come to abhor the Communist Party. Given the opportunity, they will not hesitate to risk their lives in the seizing of aircraft or other vehicles to make a dash for freedom. They will resort to any and all means to resist the Communist Party in every sector of life and on every occasion. The tidal wave to wipe out the iron curtain and terminate tyranny is surging forward with great force. Chinese Communist disintegration is only a matter of time.

President Chiang Ching-kuo's New Year's Day message of congratulations is the guideline for our work and the guidepost pointing our way of action. His proclamation of our fundamental national policies single out our principles for politics, diplomacy, national defense, economy, society, culture and education. We must move in the right direction to assure progressive success. As we move ahead, we must continue to accelerate all manners of developments and propose all kinds of administrative measures with fresh initiatives, foresight and forward-looking planning. We shall include these in this year's administrative work list for vigorous implementation to cope with the challenges ahead.

We shoulder a double mission: to reconstruct the bastion of national revival and recover the mainland. We must make adequate preparations and redouble our effort so as to strengthen national construction based on the three principles of the people and also reinforce our subjective strength for recovery of the mainland. We must also establish an accurate consensus and reinforce our faith so that the people will support the government's policies and the government will fulfill the people's wishes. Our goals include:

1. We must safeguard the Constitution and the constitutional system to promote democracy, honor the rule of law, and establish a society in which everyone abides by the law, maintains discipline and carries out his duty. In abiding by the law, we shall maintain the spirit of democracy; in observing discipline, we shall maintain social order; and by doing our duty, we shall safeguard the criteria of freedom.



2. To recover the mainland is our resolutely fundamental national policy, it will never change. To the Chinese Communists, peace talk is merely another form of war, we shall never fall into their trap. We must give special attention to rooting out any view of compromise and secessionism that violates the Constitution and national policy. We must wipe out the fallacies of "Taiwan independence," a movement whose supporters have forgotten their ancestral origins. In so doing we shall ensure the purity and stability of our bastion of national revival.

3. China must be unified, independent, democratic, free, progressive, open and peaceful. The distribution of its wealth must be equitable. The China of the Chinese people must be the Republic of China unified under the three principles.

#### Turbulent World Affairs

A review of last year's world situation shows that the fundamental confrontation between the democratic camp and the Chinese Communist bloc did not change. Under the shadow of nuclear war, the polarized antagonism between the force of the United States and the Soviet Union appeared outwardly relaxed but was inwardly intensified. Mutual agitation of hot and cold wars dominated the world. The people's hopes for economic recovery were dashed. Taken together, these developments made 1982 the most changeable and turbulent year in the politics and economics of recent years.

Escalating regional and localized conflicts contributed to world tension of 1982. To sum up, there were more than a dozen medium and small-scale hot wars in the Eastern and Western Hemispheres, including the open clash between Israel and the Palestine Liberation Organization in southern Lebanon, the struggle between Iran and Iraq, and the civil wars and international conflicts in African and Latin American countries. Not only the belligerents themselves were devastated, the peace and stability of other areas were also jeopardized. The greatest crisis of all was found in the fact that world turbulence provided an opportunity for the communist bloc to take advantage of the distress of others.

We sincerely hope that all of the free nations will understand that all communist countries -- the Soviet Union, Chinese Communist regime, Cuba, North Korea and Vietnam -- hope to see the world plunged into chaos. They are ready to fan the fires of violence and agitate the people at any time and in any place, hoping thereby to expand their own interests amidst world chaos. We have many object lessons in these present situations. The protracted turbulence in the Middle East has triggered Russia's appetite for the Persian Gulf. In recent years, the Soviets have invaded Afghanistan and given military aid to South Yemen and Ethiopia with the ultimate objective of seizing an oil-producing and strategic area. Latin America has also had its share of recent turbulence. The Soviets and their satellite, Cuba, have been prowling the area, waiting for the opportunity of leaping on their prey. Even the Chinese Communists are adding fuel to the flames and trying to poke their noses into Latin American affairs. Because the NATO countries have failed to strengthen their unity, the Soviets have been able to apply the tactic of the carrot and stick. They have done everything possible to drive a wedge between the United States and its Western European allies. Additionally, Peking and Moscow have been contacting each other again and expressing their willingness to renew their friendship. Their off-and-on tactics and gestures are primarily aimed at increasing their capital for the political blackmail of the Western nations. This once again testifies to the fallacy of the free world's strategy of "pitting Peking against Moscow."

A penetrating analysis of mainland affairs will show that although the Teng Hsiao-ping faction still holds fast to the power center, it is unable to control the total situation. The Constitution approved by the Fifth Session of the Communists' "Fifth National People's Congress" is a united front document intended to distort the orthodox history of the 1911 revolution that overthrew the Manchu Dynasty and also an effort to communize the bastion of national revival in Taiwan, Penghu, Kinmen and Matsu.



The document stipulates that the people must accept the "four cardinal principles" proposed by Teng Hsiao-ping. The despotic and dictatorial nature of the Chinese Communists has never changed. The factional strife triggered by the Teng faction's efforts to simplify the bureaucracy and get rid of the dissidents has deepened the schism and crisis of the Communist Party. As economic policy vacillates now to the left and then to the right, the Chinese Communists are caught in a dilemma. The regime is therefore bound to intensify its external united front activities in the hope of extricating itself from its predicament.

#### Opening a New Era

Our current policies and principles in promoting external relations are based on fundamental national policies and conditions of the objective environment. We shall follow the pathway of total diplomacy and, sparing no effort, open up our relations with all free and democratic nations of the world. In his New Year's Day remarks, President Chiang Ching-kuo said: "Our policy is to remain always on the side of democracy, and this basic policy will never be changed regardless of any changes in the world situation. We shall never allow any buffetings from without to influence our national policy. Instead, we should influence world development through the spirit shown in our opposition to communism and our pursuit of freedom. We shall make large contributions to the culture and economy of the free world. This is the bedrock of our foreign policy." On the basis of this policy, we shall work hard to develop and open up a new external vista.

Our basic approach is first and foremost to continue strengthening our intrinsic friendships with friendly nations. For the countries and areas that have no diplomatic ties with us, we shall promote substantive relations through economic, technical, trade, fishery and agricultural cooperation together with cultural interflow on a reciprocal and mutually beneficial basis. We shall also strive hard to establish diplomatic ties with newly independent nations, and continue to join more international organizations and conferences to raise our status in the world.

To improve Sino-American relations is still a priority task of our current diplomatic endeavors. In the last year, the high-level contacts between the Republic of China and the United States, and the cooperation and interflow in business, trade, sciences, technology and culture have been vigorously promoted. The Coordination Council for North American Affairs reopened our office in Boston last October. President Reagan has taken a steadfast anti-communist stand. His advocacies of a "world movement for democracy and peace" and the "democratization of the communist nation," and his opposition to communist totalitarianism are fundamentally identical with our campaign to unify China under the three principles of the people. We share common interests with him and want to express our warm response to his lofty and idealistic summons. However, as the Chinese Communists have been trying to drive a wedge in the friendship of the ROC and the U.S. by hook or crook, and to prevent the sale of U.S. weapons to our country, we must continue to devote ourselves to winning the understanding and support of the U.S. Government and people. We shall also do our best to expose the Chinese Communist united front intrigue directed against the United States by helping Americans distinguish friend from foe, reject Peking's blackmail and fully carry out U.S. promises to sell us sophisticated armaments required for the effective defense of our bastion.

Most countries in Latin America maintain friendly ties with us. These friendly relations were improved during the last year. Through such methods as agricultural and fishery technical aid, the extension of business and trade cooperation and additional exchange visits, we hope to implant our friendship more deeply in the hearts of the Latin American people.

In Asia and the Pacific, we promoted friendly relations with the Republic of Korea and increased cooperation during the last year. In Europe, our relations with the Vatican are fairly good. Over the years, several Western European countries lacking diplomatic ties with us have come over, one after another, to establish representative agencies on a mutual basis, and we also have strengthened economic, trade, scientific and technical cooperation and other substantive relations with them. As of last August, the Executive Yuan established a special unit to handle scientific and technical cooperation with Europe in an effort to push a vigorous across-the-board interflow and other cooperative relations with European scientific and technical organizations. We have reached an agreement on a quota for export of textiles to the European Common Market for the coming four years. The terms of the agreement compare favorably with quotas set for such major European suppliers as the Republic of Korea, Hong Kong and Macao. The stabilization of the textile trade is of great benefit in our trade with Europe. We recently opened an air link with Holland, thus further upgrading Sino-Dutch substantive relations. We also established the Asian-Pacific Technical Association on a reciprocal basis with the East Asian Technical Association founded by private Japanese circles to promote scientific and technical exchanges between the two countries.

Our cooperation with Saudi Arabia, South Africa and other friendly countries of Africa have become progressively closer. In the future we shall try to win over countries of the Middle East and Africa that have no diplomatic ties with us and establish friendship with them.

We presently maintain substantive relations with 140 countries and areas that have no diplomatic relations with us, and have set up more than 50 offices and institutions in such countries. We have made progress in business, trade, scientific, technological, agricultural and industrial cooperation, and have engaged in cultural and sports exchanges. Peking has shown deep concern about our substantive diplomatic achievements. It delivered notes to countries with which it has diplomatic ties in an attempt to persuade them not to enter into or maintain such relations with us but with no avail.

The strong point of our current international work in mass communications lies in expounding the intrinsic essence and contents of the "China issue." We want the world to recognize that Free China is the mainstay of China's development. We want them to understand that the prospects for China's development must be based on the results of the long-term experiments with different political systems on the two sides of the Taiwan Straits. It is up to the Chinese people to judge the merits and demerits of the two and make their own choice. Only in this way will the goal of the unification of China under the three principles be attained and will the people of the world respond and give full support to our cause.

To consolidate the overseas Chinese organizations is the strong point in our handling of overseas Chinese affairs. At present, there are more than 8,000 groups of overseas Chinese in the world. We help Chinese groups on each continent to organize themselves and keep continuous contact with representative groups in crucial areas. In keeping up with the spread of newly settled overseas Chinese, we conduct systematic contacts and visits. The overseas Chinese everywhere have undertaken strong campaigns to unite China under the three principles. Their patriotic sentiments are soaring high. In the last year, we have sponsored the first world rally for overseas youth, the 13th trading conference for overseas merchants and the second meeting for leaders of overseas Chinese affairs to discuss their affairs. We have dedicated ourselves to the promotion of the social welfare of overseas Chinese communities.

## Strengthening the Defense System

National defense development in this stage is based on the principle of "Army building; through assiduity and austerity" and the strategy of "preparations for both offensive and defensive operations." All-out efforts are being made to reach the goal of establishing an independent national defense system. These are highlights of the last year:

1. "Heightening of the awareness of danger" and "the building of the Army through assiduity and austerity." The government has mapped out its plan for building the Armed Forces in keeping with President Chiang's instructions, "building the nation and the Army through assiduity and austerity" and "strengthening the awareness of danger to exert a vigorous spirit." All officers and men have been called upon to demonstrate the loyalty and courage of the National Revolutionary Army and its traditional spirit of "the tougher the battle, the braver the soldiers." We shall see to it that this plan is thoroughly carried out and that "everyone fulfills his talent, everything bears its maximum results, the land is used to best advantage, materials are put to good use and time is effectively spent." This is to assure fulfillment of the elite force doctrine in which "ideology and determination must be unadulterated, organization and management must be improved, arms and other equipment must be modernized and combat skills and tactics must be perfected." With this approach, we can make up for our reverses and carry out the task of unifying China under the three principles of the people at an early date.

2. Improved preparations for all eventualities and consolidated readiness for offense and defense. Offensively, we have had revamped our combat plan in the light of the enemy's developments. We have strengthened our amphibious landing and combat exercises between regular and reserve forces. We have studied revolutionary tactics of defeating a numerically superior enemy and of subduing a stronger enemy from a weaker position. We have completed the grouping and preparations for units organized for special combat tasks. We are prepared to respond to the call for combat behind the enemy lines and to create the opportunity for mainland recovery. Defensively, we have given first priority to the control of the air and the sea while emphasizing victory in battle on land. To strengthen our air defenses, we have expanded our tactical combat aircraft groups and our missile units and have incorporated our anti-aircraft weapons into the automated air-defense system. We also have established an automatic monitoring and command system. Our Navy has continued to strengthen its major combat personnel, weapons and equipment for detecting and coping with submarines. The Navy also has completed the deployment of its missiles and missile-armed speedboats.

The ground forces have improved their combat development arms modernization and training for all eventualities.

3. Integration of total strength for the development of sophisticated weapons and equipment. Adhering to the requirement of building the Army through assiduity and austerity, we have effectively utilized our national defense resources. We have combined the capability of military, state-owned and private enterprises for the vigorous development of a national defense industry. We have augmented our research and development organizations so as to break through bottlenecks, introduced sophisticated science and technology from abroad, and attained the goal of self-sufficiency in the major weapons required for establishment of an independent defense system. We have been increasing the combat capability of the three armed forces and accelerating their modernization by increasing the efficiency of extant weapons and making other equipment more efficient, and by seeking additional sources of supply. The production of fighter aircraft, missiles, vessels and armored vehicles are not under the charge of specific units.



4. Intensification of psychological warfare in keeping with changes in the enemy's situation. In the last year we have strengthened our psychological offensive through broadcasts and by floating balloons carrying large quantities of messages and daily necessities. The effectiveness of this campaign has been borne out by the defection of a Chinese Communist pilot, Communist students dispatched abroad and a number of other intellectuals.

#### Acceleration of Economic Recovery

The shrinking international market and declining exports damaged our economic activities during the last year. The real economic growth of 1982 was 3.76 percent on the basis of preliminary estimates. The total volume of imports and exports was U.S. \$41.8 billion, lower than the previous year. Because the economy has been in the doldrums for a long time, the government has adopted a number of measures to ease the difficulties of industrial and business enterprises and stimulate economic recovery. These included the repeated reduction of interest rates, adjustment of foreign exchange rates and liberalization of conditions for loans. (The total of loans extended to export industry, medium and small businesses and manufacturing enterprises exceeded NT\$730 billion last year.) At the end of last year, we established a loan screening committee to help enterprises make it through the stringent New Year period. Additionally, we have revised the statute for the encouragement of investment by enlarging the scope of incentives, implementing investment deductions, increasing the development fund and providing low-interest loans to strategic industries, thus stimulating the investment proclivity. As a result of these measures, new investment last year amounted to NT\$151,158 million, an increase of 36.3 percent over the previous year. The investment by overseas Chinese and foreigners totaled U.S. \$380 million, not including the prospective investment by Toyota for the manufacture of cars and that by AT&T for the production of digital switchboards. These two strategic industry investments will have a great impact on the upgrading of our industry. Some of last year's investments were by Chinese specialists and entrepreneurs residing in the United States and included the latest technology. These investments indicate confidence in our economic future and provide the best assurance of our sustained economic growth in the future.

Considering that the Chinese Communists have been using every possible means to isolate our country in the international community and to obstruct our economic development, we are prepared to take the following measures to make this bastion of national recovery into a major economic, trade, shipping and banking center of the Far East and for meshing our economy with that of the free world.

1. Welcome the banks of various nations to establish branches in Taiwan, open our stock market to overseas Chinese and foreign investors, and encourage our major enterprises to float bonds and our banks to establish branches abroad.
2. Build a "world trade center," vigorously participate in various international trade activities and prepare for the establishment of an "extraterritorial banking center" to tighten our connections with international banking centers.
3. Develop Kaohsiung and Taichung harbors into container and bulk commodity, transshipment and warehouse centers, and prepare for the establishment of a comprehensive free trade zone to attract overseas Chinese and foreigners to participate in various economic activities on Taiwan.
4. Extend our airlines to Europe to complete a globe-girdling passenger and air freight service.

Although exports and economic growth were sluggish last year, we had a massive favorable trade balance of U.S. \$3.3 billion. Our foreign exchange reserves have broken the U.S. \$10 billion mark.



The prices of commodities were very stable. The wholesale price index of last January dropped 1.15 percent and that of the urban consumer's index went up by a mere 2.23 percent compared with the figures of January, 1982. The 1982 index of agricultural production increased 0.8 percent over that of 1981. Rice production for the year totaled 2.46 million metric tons, up 1.3 percent compared with the previous year and exceeding the target by 14.6 percent. The government was forced to cut the export price to relieve the pressure on capital and warehousing. So far, 400,000 metric tons have been exported and another 250,000 tons are under negotiation. To reduce paddy acreage, the Taiwan Provincial Food Bureau is encouraging farmers to switch to other crops or let their paddy lay fallow. Unfortunately, all crops suitable for large-scale planning are not profitable targets for switching. The Ministry of Economic Affairs and the Council for Agricultural Planning and Development therefore are at work studying processing techniques for major farm produce. If reliable export markets can be found, such crops will become the targets of paddy farmers. Despite the massive surplus of paddy production, the government continues to purchase the planned quantity of rice at guaranteed prices and at the same time to assist the farmers' associations to collect surplus rice not included in the planned purchase. This is to maintain paddy price at the place of production and to protect growers from loss.

The economic outlook for this year is promising compared with that of 1982. But we expect the pace of recovery to be rather slow. Export competition will be very keen. To help industry improve management and reduce costs of production, the Ministry of Economic Affairs has established an automation service group and energy service group. Members of these two groups have been calling on factories to help with improvement plans and give advice on the use of loans. I hope that industrial and business leaders will not sit idly by waiting for economic recovery. They should seize every opportunity to improve their techniques and their management so that the economy can be upgraded at an early date.

Last year our government continued to carry out the 12 construction projects involving communications so as to increase the capability of various undertakings in that sphere and strengthen implementation of the "Plan for Improving Traffic Order and Promoting Traffic Safety." These other communications projects are under way:

1. Establishment of an international shipping and warehousing center, increase of transportation and warehousing capacities at harbors, development of Kaohsiung harbor as a container transportation center and of Taichung harbor as a transportation center for bulk commodities.
2. Gradual completion of a worldwide air passenger and cargo service. China Airlines' applications for passenger and cargo flights to New York and Amsterdam have been approved and service is scheduled to start in April. Before long, our flag carriers will be completing globe-girdling flights from the United States to Europe and then back to Taiwan.
3. Planning the mass rapid transit system for the Taipei area. The plan is scheduled for completion this spring. The preliminary undertaking -- placing of the railroads passing through downtown Taipei underground -- is scheduled to be started this autumn.
4. Invite before long domestic, overseas Chinese and foreign investors to join in first-phase development of the Kenting tourist district as listed in the "Development Plan for Tourism Resources."

Traffic safety is crucial to the daily lives of the people. The government is now strictly enforcing the traffic laws to ensure safety. Last year there were 8,844 motor vehicle accidents, 12.18 percent fewer than in the previous year. A total of 3,596 people were killed, or 6.38 percent fewer. The injured totaled 11,202, down 12.25 percent.

## Promoting Constitutional Government, Democracy

In strengthening political development, the central tasks of the government are to carry out democratic constitutional government, consolidate foundation of the rule of law, ensure peace and social stability and enhance administrative efficiency. These were major activities of the last year:

1. Holding of elections for public office and rectification of candidates' irregular practices. In January and June, we held elections for county, city, urban township and rural township chief and for popular representatives. The voting was completed in keeping with principles of fair play, openness and justice. At the end of this year we shall hold elections for popular representatives at the central government level. We are determined to do a good job. We call on the citizenry to cooperate with the government and elect virtuous and able candidates, to ensure harmony and solidarity and to further the functions of constitutional government. To rectify the irregular practices of elections, the election law will be amended. After soliciting the advice of various circles, the draft has been passed by the Executive Yuan and will be submitted to your esteemed Yuan for deliberation.
2. Curbing violent crimes to ensure social stability and peace. Statistics show that cases of burglary were reduced last year but that violent crimes increased compared with figures for the previous year. Furthermore, violent crimes involving the use of firearms, murder and abduction for ransom were up. The government has therefore made the maintenance of social peace one of its major administrative activities. The Ministry of the Interior will carry out thoroughly the "Plan for Improving Police Administration" in order to raise the quality and number of policemen, replenish their equipment, improve their crime-solving techniques and assure their discipline. Additionally, the ministry is mapping out a "Plan for Preventing and Curbing Violent Crimes in the Taiwan Region," and will supervise all police units in making every effort and resorting to every responsibility to carry it out. At the same time, the Ministry of the Interior will organize a supervisory meeting to review and strictly rate the performance of police. On the other hand, we shall enlist the help of civilians by promoting mutual-help neighborhood systems to make up for the insufficiency of the police force. To curb the increased use of firearms and additional murder cases, the Executive Yuan has passed a draft statute governing the control of guns, munitions, knives and other mechanical instruments that may be used in committing crimes. It will be submitted to your esteemed Yuan for deliberation. The Ministry of Justice has also worked out plans to prevent and curb juvenile delinquency and economic crimes. Last year 371 economic crimes were handled. At a time of economic recession, government measures have worked in deterring the occurrence of major economic crimes.
3. Enhancement of administrative efficiency and maintenance of high political morale. The Executive Yuan has integrated the handling of official paperwork, work simplification and the delegation of responsibility, and has reviewed and improved the process of the people's applications and appeals in order to enhance administrative efficiency and improve service to the people. At the same time, it has taken further steps to establish an administrative information system for policy study and analysis, for promotion of medium and long-range activities and for the strengthening of the advisory and consultant system in the hope that more highly talented persons will contribute their wisdom and experiences to the country. In maintaining high administrative morality, the Executive Yuan, in addition to carrying out thoroughly the ten-count renovations, has set up a supervisory meeting on the rectification of political morality. On the one hand, the Ministry of Justice has urged and supervised the Investigation Bureau's corruption and economic crimes control center to thoroughly carry out the "Plan for Liquidating Corruption" and other measures. On the other hand, it has urged the procurator's offices of the various district courts to assign senior procurators to investigate cases of corruption and file their prosecutions as quickly as possible.

Last year, 1,021 cases involving 2,077 defendants were investigated. Besides, the Central Personnel Administration has been actively promoting studies by public functionaries, executing the "Plan for Cultivating High-Ranking Candidate Officials" and handling advanced studies abroad by public functionaries in order to raise the quality of government employees.

#### Enhancing Culture, Education, Science, and Technology

Cultural, educational, scientific and technological development is one of the urgent tasks in increasing national power, elevating the people's quality of life and promoting national modernization. These are therefore crucial in the administrative policy of the Republic of China.

#### I. Culture and Education

Our major undertakings of last year emphasized the enhancement of national spiritual education and the improvement of standards in technological, vocational and university education.

1. Basic education. Implemented in the second half of last year, the "Six-Year Plan for the Development and Improvement of Basic Education" calls for improvement of curricula, teaching and the guidance of students, the handicraft education, and the opening of special classes at junior high and primary schools for students with high IQ's. Additionally the "sanitation and health programs" were implemented to conserve the eyesight of students and prohibit cram sessions.
2. College and vocational education. In college education, we have continued to revise the curricula, raise the quality of teachers and improve teachers training facilities so as to meet manpower needs in various fields. In vocational education, the "Second-Stage Plan for Improvement of Industrial and Vocational Education" is under way. Additionally, the "Extension of Compulsory Education for Junior High Graduates With a Base of Vocational Training" has been vigorously pushed to provide full-time or part-time opportunity for public junior high graduates. Beginning in August of this year, schools in Taipei, Kaohsiung in the Taiwan area will be selected for this pilot project.
3. University education. The Ministry of Education is undertaking an overall revision of the university curriculum for completion in the academic year 1982 and for application in the academic year 1983. Out of concern for the student's aptitude and potential, the revision is centered on reducing the number of credits in required courses. Additionally the ministry is endeavoring to raise university academic standards, firmly establish research positions, improve teacher quality and teaching facilities, and vigorously push plans for technological and scientific development. Despite the retrenchment in the FY 1984 budget, eight doctoral classes and two master's classes will be added to meet the needs of scientific and technological development. An aeronautics engineering and graduate school is in the planning state at National Chengkung University. A UHF educational television station is in the preparatory stage to strengthen extension education. A university of the air is under current planning. For private colleges, the Ministry of Education is continuing to improve laboratory facilities and provide low interest facilities and provide low interest loans for construction of dormitories.
4. Construction and installation of facilities of city and county cultural centers will be completed one after another. The Council for Cultural Planning and Development of the Executive Yuan has been drafting various concrete measures to enrich "software" facilities and the activity content, and the cultivation of personnel for grassroots cultural development so that the functions of the cultural centers can be brought into full play. The key points for implementation of the 1983 literary season have already been promulgated.



To raise the quality of life, people are being encouraged to participate in various activities. In accordance with the "Law for Preserving Cultural Assets," the council has invited specialists to make appraisals and has been engaged in preserving and maintaining historical relics and antiques in the Taiwan area.

## II. Science and Technology

These were the major undertakings during the previous session:

1. Vigorously carrying out the "Plan for Scientific and Technological Development." Since its revision in August of last year, the plan has been put into effect by supervisory and promotion groups established by related organizations according to each mission. Current important research plans include information and computer technologies, industrial automation research, supersize semiconductor research, biological technological research, photoelectric engineering technology and the study of B-type hepatitis vaccine.
2. Development of the Hsinchu science-based industrial park. Advanced sophisticated technological industry has been introduced. Up to the present, 41 companies have received approval to establish plants and 27 have begun operations. Some of the products have already been exported.
3. Augmenting the recruitment of overseas Chinese scholars and technicians for service at home. During the last year, many overseas Chinese experts have returned to this island to take part in various research plans. In addition, overseas Chinese scholars and entrepreneurs have made various investments, such as the Wang Laboratories' computer, Qume's disk drive, Chingfeng's thin-film magnetic head and Chen-Tech's alloy forging. They have set an example of pioneering endeavor for quicker recruitment of overseas Chinese scholars and experts to participate in the development of domestic technology-intensive industry.

## Social Construction

Our goals in promoting the social construction based on the principle of the people's livelihood are the promotion of social harmony and the people's welfare, and the establishment of a modern society based on the equitable distribution of wealth, peace and prosperity. These important measures were taken during the last year:

1. Continued expansion of grassroots construction in line with community development. The "Plan to Strengthen Construction and Raise Farmers' Income," put into effect during the last year, is concentrated on regulating and constructing community public facilities so as to elevate the life-quality of people in the countryside; providing a clean living environment and improving community sports, cultural and entertainment activities so as to cultivate the good character of the people; and undertaking various community activities to arouse the voluntary and autonomous spirit of the public, thereby expanding grassroots construction by uniting the resources of the people. From now on, the government will redouble its efforts for community development and grassroots construction.
2. Augmentation of social welfare and improvement of the workers' welfare. The welfare plans for the elderly include recreation and leisure facilities, medical and health care, and other measures of preferential treatment. Designing of homes for the destitute elderly is now under way. To improve child welfare, the government has encouraged the establishment of competent public and private day-care centers. These activities include assistance in the improvement of business activities, establishment of standards for curricula and improvement of teaching methods and the quality of service. To promote workers' welfare, the government seeks to assist and guide plants, mines and other enterprises in accordance with the laws on workers' fringe benefits to establish an organization which will promote fringe benefits and education.



Consequently, such benefits can be used for promoting various welfare activities and for educating the workers. The Occupational Training Bureau is vigorously carrying out professional training of various kinds and inspections of skilled work. Every year, at least 5,000 units of public housing are reserved for purchase by workers' families. A special appropriation of NT\$1.5 billion from the social insurance fund for workers is being used for workers' long-term housing loans at low interest in 1982. Additionally, government departments, public business organizations, labor and trade unions are enthusiastically carrying out the movement of "taking plant as home and school" in an effort to increase workers' rights and interests and harmonize the relations between labor and management.

3. Improvement of sanitary facilities and enhancement of public health. The "Four-Year Plan To Strengthen Rural Public Health" places particular stress on the improvement of medical equipment and the quality of personnel. A plan is under study to improve the business activities of public and private hospitals. In addition, the government is making plans to establish a medical treatment network to provide better urban and rural service throughout the island. The government is spurring the improvement of environmental sanitation in coastal areas, studying measures for immunization, augmenting execution of the "Plan for Strengthening Food Sanitation and Control," and augmenting the sanitation of peddlers who sell food on the street. Environmental protection bureaus of the city governments of Taipei and Kaohsiung have been established to solve problems of garbage disposal; elimination of air, water and noise pollution; control of poisonous substances; and the inspection of environmental quality.

4. Employment assistance to youth. In the second half of last year, the government helped 51,657 junior high school graduates find jobs and 9,475 to undertake vocational training. It helped 16,448 senior high school students and senior vocational high school students find jobs and 1,469 to undertake vocational training. It also helped 12,815 university and college students find jobs and 402 to undertake vocational training. Six hundred and twenty-four students returning home for service after advanced study abroad were given assistance. An important project will assist those who are not employed and not attending school; they will be guided in finding a constructive life and learning a skill. Certain areas will be chosen for the pilot project. If results are satisfactory, overall implementation will be carried out. In the last year, the Ministry of National Defense accepted 5,723 senior high school graduates who were neither employed nor pursuing higher learning for enrollment in the voluntary program of military service ahead of schedule.

#### Working Toward the Common Goal

Honorable members: The foregoing report covers only the highlights of administration during the last six months. We are aware that our efforts have been subjected to evaluation, control, regular review and improvement. Yet there are still many defects, and some undertakings have fallen behind schedule. We sincerely hope you will give us the benefit of your encouragement and instruction to serve as our blueprint for constant improvement and renovation.

We have dedicated ourselves to construction based on the three principles of the people in this bastion of national revival. All of our efforts to augment national strength and promote the people's welfare are made possible by the unity, the wisdom, the courage, the blood and sweat of the people and the government. President Chiang Ching-kuo sent us couplets with his 1983 New Year's Day congratulatory message that said: "Dedicate yourself sincerely and loyally to the country; love your compatriots wholeheartedly and truly." Our government's administration is guided by President Chiang Ching-kuo's instruction to make national interest and the people's welfare our priority consideration. We deeply believe that all difficulties will be overcome and all administrative programs will be carried out smoothly as long as the government services the people with responsibility and the people cooperate with and trust the government; and as long as everyone shows the deepest sincerity, shares joys and sorrows with each other and is consistent in concept and action.

Before the dawn, we must summon our courage to pass through the short but darkest night. The prospects for this year at home and abroad are brighter than those of last year. But the international situation continues to be perilous and economy remains stagnant. We must continue to struggle arduously, pass the tests of the times and face the challenges of the crucible cautiously. We are wading through deep water and treading on thin ice. We soberly believe, however, that the more hazardous the situation, the greater will be our courage and the stronger our faith. We should adhere to the determination of our self-reliance and spirit of our implementation, grasp our revolutionary and creative concepts, and show our willingness to struggle and sacrifice in a joint effort with all the people, thus forging ahead, hand in hand.

In the last 30 years, we have developed our bastion of national revival in accordance with the principles of the people. We have implemented the democratic Constitution and enriched the national economy. We have created an affluent society in which everyone enjoys a peaceful and happy life. Our bastion is characterized by freedom, unity and progress, contrasting as black versus white against the Chinese mainland across the Taiwan Straits where there is the notoriety of chaos, poverty and backwardness. The contrast is a result of entirely different systems. One is the benevolent rule of the three principles of the people and the other is the tyrannical rule of the Communists. The three principles of the people are the inheritors of Chinese culture and tradition, representing humanity and reason. The Communists emphasize hatred and struggle and stand for brutality and violence. There can be no doubt that the three principles of the people will triumph and communism will go down to defeat in the end.

Today all the anti-communist and patriotic Chinese at home and abroad, and in front of and behind the enemy lines, aspire to the three principles of the people and incline their hearts to the Republic of China. They anticipate and encourage themselves with the implementing of the three principles of the people and with dedication to the country. The call for national justice has gradually become a phenomenon leading to vigorous revival. Dr Sun Yat-sen remarked: "A nation's tendency results from the people's thoughts and ideas." Our victory is assured by the forging of all the hearts across the four seas into one surging passion.

All of the suffering compatriots on the Chinese mainland are our brothers. The grand and imposing mountains and rivers constitute our homeland. President Chiang Ching-kuo instructed us: "We must devote our hearts to the mainland, look far ahead and strive for the enduring prosperity of the nation and people." We must work persistently and move ahead toward our common goal with joint efforts and effective measures. In doing so we aim not only at the security and welfare of the 18 million people in our bastion of national revival but also seek the long-lasting development and well-being of the Chinese nation. At this pivotal point, the light and heat of the three principles of the people will bring a warm spring to the Chinese mainland. This will return the vitality of life to our millions and millions of mainland compatriots and enable them to enjoy the equality and freedom of life once more. Thank you!

**END OF  
FICHE  
DATE FILMED**

3-4-83 (B)

